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Forum Urges SLORC To Talk With Suu Kyi

BK2512092495 (Internet) BurmaNet News in English 20 Dec 95

[Resolution issued at the Asia Pacific Consortium on Burma held in Bangkok on 17-18 December]

[FBIS Transcribed Text] Resolution

An Asia Pacific Consortium on Burma attended by 36 participants from 26 organizations/groups in 12 Asia Pacific countries and other continents held on December 17-18, 1995 in Bangkok, Thailand.

Noting that since the release of the 1991 Nobel Peace Laureate awardee Aung San Suu Kyi, the general situation in Burma has not improved.

Noting with grave concerns that:

1. Despite of the decision by the elected people's representatives from the National League for Democracy [NLD] to no longer participate in the process, the State Law and Order Council (SLORC) is continuing with its National Convention.

2. The ceasefire which the SLORC military dictatorship is coercing the ethnic nationalities to agree to, do not represent progress towards genuine peace and national reconciliation.

3. Despite of the repeated calls by the United Nations and the others the Slorc has refused to enter into a political dialogue with the democratic forces led by Aung San Suu Kyi and the ethnic nationalities.

4. Repressive Laws still remain; hundreds of political prisoners are still languishing in jail.

5. The model of development being embraced by the SLORC, promoted by the Asian Development Bank and actively being pursued by ASEAN and most foreign investors, is certain to result in great environmental destruction; further displacement of indigenous peoples; further enrichment of a small and illegitimate, additional inflationary pressure, and hindrance of the process of democratization.

6. The multinational investments that are financing the SLORC military dictatorship are continuing regardless of the gross human rights violations; particularly against workers, women, children, indigenous peoples.

7. The ASEAN members support the SLORC despite of its human rights abuses and are working to accept it as a member.

Therefore, the Asia Pacific Consortium on Burma:

Expresses its grave concerns over the continuing serious violations of human rights in Burma. The UN General Assembly's Third Committee recently adopted a resolution, for the fourth consecutive year, condemning the State Law and Order Restoration Council (SLORC) for its failure to respect human rights. Clearly, the "Constructive Engagement" policy, adopted by ASEAN in the past, has not resulted in greater respect for human rights nor the return of democracy in Burma.

The Consortium is particularly disturbed by the most recent developments related to the work of the National Convention responsible for drawing up a new constitution for the country.

Calls for unconditional release of all political prisoners immediately;

Urges the SLORC to immediately enter into a genuine dialogue with Aung San Suu Kyi and the NLD, other leaders of the democratic opposition and representatives of ethnic nationalities aimed at achieving national reconciliation and the restoration of democracy;

Calls on the SLORC to halt the National Convention since it has no legitimacy. The NLD which is has [as received] the majority of the elected-representatives did not join in the process;

Recognizes the legitimacy of the NLD under the leadership of Aung San Suu Kyi to be the main convenor of the National Convention;

Urges the ASEAN, and the International Community to exert more efforts to instruct the SLORC to enter into a meaningful dialogue with the democratic forces under the supervision of the United Nations' Secretary General;

Expresses its concern over the multilateral investment projects;

Strongly urges the ASEAN to take appropriate measures to support human rights in Burma as ASEAN's Constructive Engagement Policy benefits only SLORC but harms the people of Burma.

Also urges ASEAN to adopt the people-centered sustainable development;

Urges the Secretary General of the United Nations to fully implement the December 1994, 1995 resolutions of the UN General Assembly which call for the Secretary General to assist in the national reconciliation process.

Calls on Burma's neighbors and the international community as a whole to impose an embargo on arms and war supplies to SLORC; and

Call on tourists, particularly those from within ASEAN, not to support "Visit Myanmar [Burma] Year 1996" which is causing great hardship to the people of Burma forced relocations, forced labor and a disruption of essential services.

FREE BURMA NOW !!

[Dated] December 18, 1995 Bangkok, Thailand

Japan

Naha Court Cancels Scheduled Rape Case Hearing

OW2812044095 Tokyo KYODO in English 0406 GMT 28 Dec 95

[FBIS Transcribed Text] Naha, Japan, Dec. 28 KYODO — The Naha District Court on Thursday [28 December] canceled a scheduled hearing in the trial of three U.S. servicemen charged with raping an Okinawa schoolgirl to consider a request for a change of venue.

The mothers of two of the three servicemen filed a petition asking for a change of venue on the grounds that the defendants cannot receive a fair trial in Okinawa.

The mothers of Marine Pfc. Rodrico Harp, 21, and Pfc. Kendrick Ledet, 20, asked that the trial be moved out of Okinawa because of the growing sentiment among local residents against the U.S. military presence there.

They filed a similar petition Wednesday but it was rejected due to lack of required legal documentation.

The hearing, the seventh in the rape case, will be postponed until the court decides whether to accept the request, a court official said.

In the hearing, prosecutors were to make their demands for punishment against Harp, Ledet and Navy Seaman Marcus Gill, 22.

The three are accused of abducting a local schoolgirl while she was returning home from a shopping trip Sept. 4 and then raping her in a rented van.

Gill has pleaded guilty to charges of abduction and rape, while Ledet and Harp have admitted conspiring with Gill but deny raping the girl.

If convicted, the defendants could face up to life imprisonment.

The rape case has stirred up protests by local people against U.S. facilities on the island, which accounts for 75 percent of then land used by U.S. military forces in Japan.

U.S. Serviceman Indicted for Possession of Rifle

OW2812132595 Tokyo KYODO in English 1316 GMT 28 Dec 95

[FBIS Transcribed Text] Aomori, Japan, Dec. 28 KYODO — A U.S. serviceman from Misawa Base in northern Japan was indicted Thursday [28 December] for alleged possession of a rifle and bullets without a permit.

The serviceman, airman 2nd class John Turner, 25, was released the same day on bail of 1 million yen after he was indicted by prosecutors in Hachinohe, Aomori Prefecture.

Prosecutors allege the rifle and 12 bullets were found in a car Turner was driving Dec. 13. Police arrested him that day.

Police said Turner is also suspected of firing a hunting rifle in a park in Misawa on Dec. 10 and that once sufficient evidence is collected they could send papers to the prosecutors on the case early next month alleging he fired the rifle in an area banned to hunting.

They said Turner has already admitted to most of the details in the prosecution case.

Police said at the time that a park worker heard four gunshots and immediately saw two foreigners in the park holding a rifle.

The two men then left in a car with a U.S. forces number plate, according to the worker. Nobody was injured in the incident.

Murayama To Discuss Okinawa With Clinton

OW2512111195 Tokyo KYODO in English 1106 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Prime Minister Tomiichi Murayama said Monday [25 December] he will discuss requests from the southernmost Japanese prefecture of Okinawa to reduce the number of local U.S. bases with U.S. President Bill Clinton when he visits Japan in April.

Murayama told reporters, "We will discuss the adjustment and reduction of bases giving due thought to the feelings of the people of Okinawa."

"We will discuss Japan-U.S. bilateral issues well, and the Okinawa issue in particular. It is important for us to speak candidly with each other," he said.

Tokyo and Washington are close to agreeing to reschedule Clinton's state visit to April 16-18, following the cancellation of a visit in November.

The rape of a local schoolgirl in Okinawa in September, for which three U.S. servicemen are currently on trial, stirred the local Japanese populace to demand reductions in the large number of U.S. bases which are concentrated there.

Third DPRK Request for Rice Aid Noted

OW2812042895 Tokyo TOKYO SHIMBUN in Japanese 27 Dec 95 Morning Edition p 1

[FBIS Translated Text]

The Democratic People's Republic of Korea [DPRK] (North Korea) has requested that Japan provide a third round of rice assistance, following requests in June and October. The news was revealed yesterday by a source concerned with Japan-North Korea relations. The request was sent by the Korean Workers Party to the ruling coalition. According to the source, the request does not specify any required amount. It appears that the request is for as much rice as possible. The government and the ruling coalition are now considering their response. They intend to reach a conclusion after coordinating with the United States and the ROK in late January.

Japan is taking a cautious stance, giving consideration to the breakup of rice-aid negotiations between the ROK and North Korea. In response to ROK President Kim Yong-sam's criticism of Japan's rice aid to North Korea for "hindering the goal of reunification of the South and North," an agreement was made to hold negotiations among Japan, the U.S., and the ROK.

Japan's caution is also traceable to the prospect that it will be impossible to ship the whole amount of the second aid (200,000 tons) agreed on in October within the year owing to the delay in the arrangements for ships by North Korea.

North Korea reportedly has been hit with an annual shortfall of 2 million tons in food supplies. The estimate this year is that there will be another 2-million-ton shortage because of flood damage last summer. The third request for rice aid sparently reflects such severe circumstances.

Delay in 2d Batch of Rice to DPRK Reported

OW2512084595 Tokyo YOMIURI SHIMBUN in Japanese 23 Dec 95 Morning Edition p 7

[FBIS Translated Text] The shipment of 200,000 tons of rice to the DPRK (North Korea) as the second portion of aid is well behind schedule. It is certain that the quantity of rice shipped to the DPRK will exceed 100,000 tons only after New Year's Day. This was disclosed on 22 December by the Food Agency. The rice shipments are behind schedule because of the slow arrival of transport ships hired by the DPRK.

Following the first 300,000 tons of rice aid approved in June, the government decided on 3 October to supply the DPRK, which is suffering from a food shortage, with 200,000 tons of rice under a long-term payment plan. The rice was imported as an emergency supply during the 1993-1994 period. Shipments of rice for the second portion of aid was initially scheduled to start on 28 October, when the shipment of the first portion of rice aid was completed, and was to be finished by the end of this year. However, the ships hired by North Korea did not arrive on schedule, and only 50,000 tons of rice was shipped out as of 22 December. Currently, four ships are being loaded, but even including the rice that will be on these ships the total quantity will be slightly less than 100,000 tons. It appears that the rice shipments will be completed after February.

Murayama, Takemura Deplore French Nuclear Test

OW2812104495 Tokyo KYODO in English 1019 GMT 28 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 28 KYODO — Japan expressed strong dissatisfaction Thursday [28 December] over the fifth nuclear test this year carried out by France in the South Pacific on Wednesday.

Prime Minister Tomiichi Murayama told reporters that France "has said it will stop nuclear testing upon the conclusion of a comprehensive nuclear test ban treaty, but nuclear testing is meaningless and France should stop it immediately."

Chief Cabinet Secretary Koken Nosaka also expressed regret over the nuclear testing, saying France's nuclear tests run counter to international efforts to achieve nuclear disarmament.

"France said it would conduct one more test, but 'enough' is the call of the world," said Nosaka, the chief government spokesman, in a press conference.

France detonated a nuclear device at Mururoa atoll in French Polynesia at 12:30 P.M. local time, the fifth test since it resumed nuclear tests in the South Pacific in September.

France originally planned to conduct a total of seven or eight tests, but the government said the number would probably be reduced to six and that the current series of tests will be completed by the end of February.

Foreign Minister Yohei Kono summoned Denis Gauer, acting French ambassador to Japan, to the ministry to protest the latest nuclear detonation.

Gauer told Kono that the sixth test would be conducted earlier than the end of February. Kono told the envoy that he cannot condone further testing by France, officials said.

Takashi Hiraoka, the mayor of Hiroshima, sent a letter of protest over the nuclear test to French Ambassador to Japan Jean-Bernard Ouvrieu on Thursday, urging France to immediately halt its nuclear testing.

Hiraoka said he feels "strong anger" that France defied the Dec. 12 UN resolution calling for an end to nuclear testing.

"It is an action betraying the trust of the people of the world, and is French egoism," Hiraoka said at a news conference.

Nagasaki Mayor Itcho Ito said he cannot understand why French President Jacques Chirac, "who experienced wars," is still unable to search for coexistence of the human race.

Nagasaki Mayor Isamu Takada has also sent a letter of protest to Ouvrieu, stating that the test ignores the world community's desire for the abolition of nuclear weapons.

The statement urged France to immediately cease the tests and work for the early abolition of nuclear weapons.

About 45 people, members of the Nagasaki Peace Workers' Center and the Nagasaki chapter of the Japan Congress Against A and H Bombs, staged a one-hour sit-in to protest the test in front of the bronze statue of peace in Nagasaki Peace Park.

About 30 members of the Nagasaki branch of a union of prefectural workers staged a sit-in outside the prefectural government headquarters and adopted a resolution urging nuclear powers to promote nuclear disarmament and accept responsibility for the continued existence of the earth and humankind.

Finance Minister Masayoshi Takemura released a statement in his capacity as leader of new party Sakigake [Harbinger], saying France's dignity in the international community "fell to the ground" in 1995.

No matter excuses [as received] France makes, it conducts nuclear tests just to protect itself and that can never be justified, Takemura said.

Takemura drew international attention when he went to the French Polynesian island of Tahiti in September to join in a rally to protest against the French nuclear tests.

Senior Diplomat Protests

OW2812151195 Tokyo KYODO in English
1459 GMT 28 Dec 95

[FBIS Transcribed Text] Paris, Dec. 28 KYODO — A senior Japanese diplomat protested Thursday [28 December] against the latest French nuclear test conducted in the South Pacific late Wednesday.

Charge d'affaires to France Yutaka Iimura told a French Foreign Ministry official in charge of Asian affairs that it is extremely regrettable that France has conducted another nuclear test at Mururoa Atoll, the fifth in the recent series, Japanese officials said.

Pointing out that the United Nations passed a resolution in the General Assembly on Dec. 12 calling for the immediate termination of all nuclear tests, Iimura called on France to stop such tests.

The French official only reiterated that Paris is ready to sign a comprehensive test ban treaty soon after the current series of tests is complete, the officials said.

French Objection to CE Status 'Regrettable'

OW2512112095 Tokyo KYODO in English
1030 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — France's opposition to Japan's bid for observer status on the Council of Europe (CE) is "regrettable," Vice Foreign Minister Sadayuki Hayashi said Monday [25 December].

The Foreign Ministry's top bureaucrat made the remark at a news conference, replying to a question about Japan's failure earlier this month to acquire the status due to the French objection.

Hayashi said Tokyo will ask Paris the reason for its opposition and continue to seek to participate in the council's activities as an observer.

He brushed aside speculation that France's opposition was due to Japan's criticism of French nuclear tests.

The 38-member council, founded in 1949, aims to achieve a greater unity among its members, to facilitate their economic and social progress and to uphold the principles of parliamentary democracy and respect for human rights.

Okinawa Obtains Redress for Forced Migration

OW2512113895 Tokyo KYODO in English
1042 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The government decided Monday [25 December] on a 300 million yen compensation plan for Okinawa victims of malaria due to forced migration during World War II [WWII].

The program to build a cenotaph for victims and a museum is part of the government proposal for the fiscal 1996 budget, which was endorsed by the cabinet in the afternoon.

Okinawa Gov. Masahide Ota praised the project for solving the decades-long apprehension over the issue, for the sake of aging bereaved families.

Ota told a Tokyo press conference his prefectural government conceded to the central government's policy of not compensating individual victims.

More than 3,000 people died of malaria after they were forced by the Japanese military to move between March and August 1945 from Ishigaki and other islands to the malaria-infested Yaeyama Islands.

Under the budget plan, the central government is granting 305 billion yen for Okinawa development projects as a sum to satisfy local needs, he said.

The governor said the favorable budget apparently has something to do with Okinawa's stepped up demands for a reduction in local U.S. military bases, following the rape of an Okinawa schoolgirl in September for which three U.S. servicemen are on trial.

The favor, however, will have no effect on Okinawa requests to reduce the U.S. bases, he said.

Ota has been sued by Prime Minister Tomiichi Murayama for refusing to cooperate with the state's policy to forcibly use local landowners' properties for leasing to the U.S. military.

Some 75 percent of U.S. military installations in Japan are in Okinawa Prefecture, which accounts for only 0.6 percent of Japan's total land area.

Okinawa Mayor Refuses Land-Lease Contract

OW2512071095 Tokyo KYODO in English 0630 GMT 25 Dec 95

[FBIS Transcribed Text] Naha, Japan, Dec. 25 KYODO — Okinawa Mayor Shusei Arakawa said Monday [25 December] he will refuse to sign a contract for renewal of leasing the municipality's land to the U.S. military.

The mayor told the city assembly that he will not agree to the renewal of the lease of the land for use as an ammunition dump in view of public opinion calling for scaling down of the U.S. military bases in the prefecture.

Okinawa will be the second city in Okinawa Prefecture to refuse to renew a lease of municipal land to the U.S. military, following the capital city Naha, which has decided not to renew a lease for a naval facility.

The city of Okinawa has to begin legal proceedings as early as 1997 for the renewal of the land lease, the contract for which officially expires in 2000.

The city owns 474 hectares of land which accounts for about one- sixth of the Kadena ammunition depot of the U.S. forces.

The city concluded the present lease contract before Arakawa was elected mayor in 1991.

Governor Ota on Return of U.S. Facilities

OW2312145195 Naha RYUKYU SHIMPO in Japanese 22 Dec 95 Morning Edition p 2

[FBIS Translated Text] At a recent Japan-U.S. Joint Committee meeting, an agreement was reached on the return of 10 U.S. military facilities, including one at Camp Hansen, to Okinawa. On 21 December, Okinawa Governor Masahide Ota commented on this, saying: "The prefectural government will help local communities with these facilities and will help the landowners in drawing up development plans for the land to be returned." He also called for the central government's special consideration in the smooth implementation of development plans and in downsizing of the huge U.S. military bases concentrated in the prefecture in a tangible and steady manner.

Editorial on Campaign To Retain Okinawa Bases

OW2712124695 Naha OKINAWA TIMES in Japanese 25 Dec 95 Morning Edition p 5

[Editorial: "Is It a Campaign For Maintaining Military Bases?"]

[FBIS Translated Text] **Uncanny U.S. Special Operations Units Actions**

U.S. special operations units stationed in Okinawa have become active. According to the Defense Agency [DA] and the U.S. Forces, it is because of the tension in Okinawa's neighboring areas, on the Korean peninsula, in the area near the Senkaku Islands, and across the Taiwan strait. Similar moves were reported during the U.S. occupational period: Whenever a campaign to demand removal of military bases was launched, "news reports on tensions" in Okinawa's neighboring areas would spread on its heels, and the residents' movement would gradually peter out. Many instances of such happenings are still remembered.

According to the DA, it is because the DPRK (North Korea) has concentrated its military strength along the demilitarized zone (DMZ) on the Korean peninsula. The DA observes that this must be one of the emergency measures taken to tighten its control at home to prevent public unrest caused by the critical food shortage and worsening energy supply.

Since last summer, China and Taiwan have been repeatedly engaged in military exercises on the Taiwan strait. U.S. special operations units stationed in Okinawa have become active as if to flaunt their existence.

From a historical or geographical standpoint, both China and Taiwan are Okinawa's next-door neighbors, and are closely connected with Okinawa. We cannot remain indifferent to their moves because the U.S. forces stationed in Okinawa have been enhanced and new units have been deployed here under the pretext of tension on the Korean peninsula or in the Taiwan strait.

This time, we cannot take a wait-and-see attitude while saying that it has nothing to do with us, because it is possible that the tense relations between China and Taiwan will be used as a pretext to pacify the intensifying movement among the local residents to demand the withdrawal of military bases.

While visiting the United States, Qiao Shi, chairman of the Chinese NPC Standing Committee (equivalent of the parliamentary speaker) stated last week that the Chinese PLA will launch a large- scale military exercise in next March (in 1996) prior to the direct presidential election in Taiwan. However, his remarks can be taken to indicate its hard-line position: If Taiwan attempts to declare its independence through the presidential election, or if the Chinese Government should decide that its system is detrimental to reunification, China will resort to force.

Since Taiwanese President Li Teng-hui's visit to the United States last June, China has tried to check Taiwan's moves toward independence. Exercises including launching intermediate ballistic missiles were conducted in the East China Sea close to Senkaku Islands on two occasions, from 21 to 26 July and from 15 to 25 August. A joint exercise, including the landing operation, was held off the coast of Qingdao in Shandong Province from 12 to 14 October. And a joint exercise of the Army, Navy and Air Force was conducted along the coast of the Fujian Province, including Dongshan Island, across from Taiwan, from 23 to 25 November. Reportedly, this series of military exercises indicate the Chinese Government's "determination and capability as well."

According to a report from Hong Kong, the "Command for Anti-Taiwan Operations," to be under the direct jurisdiction of the CCP Central Military Commission, has reportedly been set up in Fuzhou, Fujian.

Oceanic Survey in the Waters Off the Senkaku Island

As if to counter the military exercises conducted by Mainland China, Taiwan conducted exercises launching various types of arms in the East China Sea during the whole month of August, and indicated its intention to conduct a large-scale military exercise around 10 October, the day marking the 1911 Revolution. However, whenever there is a chance, President Li has insisted that Taiwan is a part of China and that he is a Chinese, and maintained that military exercises are conducted entirely for the sake of Taiwan's defense.

In this way, tense relations have existed across the Taiwan strait between China and Taiwan. As a neighboring country, we cannot but hope that Taiwan, which is promoting its independent foreign policy to seek independence, and China, which is aiming at establishing a powerful and prosperous country, will maintain their friendly relations and contribute to peace in the Asian-Pacific region.

What deserves our notice here is the fact that China has conducted an oceanic survey in the waters around the Senkaku Islands. The Foreign Affairs Committee of the House of Councillors disclosed on 12 December that a Chinese oceanic survey ship, "Xiangyanghong-9," surveyed the seabed resources in the waters on the Japanese side of the East China Sea from May to June this year.

The Maritime Security Agency has confirmed that Xiangyanghong has been engaged in the survey in the waters north of Miyako Island, which is located on the Japanese side when a center line is drawn in the East China Sea and this center line extends from the Senkaku Islands to the Amami Islands.

In the meantime, the Chinese Government regards the Senkaku Islands as part of its territories even now. For instance, in the maps used in China, the Senkaku Islands are regarded as part of Fujian Province.

U.S. Forces Flaunting Okinawa Bases

It seems that the tension on the Korean peninsula or across the Taiwan strait has resulted from political bargaining, and there is movement indicating that the U.S. forces are trying to make the most of this situation. For us, Okinawan residents who demand that military bases be reduced and that they be eventually withdrawn completely, is it not a move that is worthy of our attention?

An Air Force unit specializing in electronic wiretapping and spying was deployed from the continental United States to Kadena Air Base in mid-July. While the existence of such a unit is still kept secret, this unit has not yet been removed. Recently, the RC-135 aircraft engaged in special operations has been developed here.

U.S. Secretary of Defense William Perry visited Japan in November. Since then, he has been taking a strong position that measures will be taken to further strengthen the watch over the situation on the Korean peninsula and across the Taiwan strait. However, military experts in the United States and other countries have strongly criticized the United States. They maintain that there is extremely little possibility that either North Korea or China will resort to force because such a move would be so expensive. We can say that the United States has launched a campaign to stress the strategic importance of the military bases in Okinawa in preparation for the Japan-U.S. summit talks scheduled for next spring.

Agreement Reached on Noise Pollution in Okinawa

OW2512091495 Tokyo YOMIURI SHIMBUN in Japanese 23 Dec 95 Morning Edition p 3

[FBIS Translated Text] A working group under the Japan-U.S. consultative organ, the "Special Action Committee on Okinawa Facilities and Region," held its first meeting on 22 December at the Foreign Ministry to study issues related to realigning and reducing U.S. military bases in Okinawa, and the two sides reached an accord on an agreement on preventing noise pollution at Kadena Airbase and Futenma Air Station.

Concerning the Status of Forces Agreement [SOFA], the Okinawa prefectural government has submitted a request for revising ten items. However, it was agreed at the meeting that several of the items can be settled quickly by improving implementation without revising the SOFA, and that consultations will be held on measures to improve five items listed on the request on a priority basis. Among them are the conclusion of an agreement on preventing noise pollution at Kadena Airbase and Futenma Air Station; installing license plates on U.S. military vehicles that are easily recognizable; and improving the quarantine system applied to plants and animals. As for the remaining problems, the Japanese side will continue its efforts to work on the points at issue.

Nago Assembly Opposes Partial Return of Camp

OW2312144995 Naha RYUKYU SHIMPO in Japanese 23 Dec 95 Morning Edition p 23

[FBIS Translated Text] Nago — In response to an agreement on the partial return of Camp Hansen reached by the Japan-U.S. Joint Committee, the Nago City Assembly adopted a resolution opposing the agreement at its regular monthly meeting held on 22 December. The resolution states: "Partial return without any plan for the use of the returned land overrides the wishes of the citizens. It is an intentional stratagem against the opinion of the prefectural residents that calls for the reduction of military bases."

Komatsu Residents File Suit To Block ASDF

OW2512022495 Tokyo KYODO in English 0119 GMT 25 Dec 95

[FBIS Transcribed Text] Kanazawa, Japan, Dec. 25 KYODO — Residents around the Komatsu base of the Air Self-Defense Force (ASDF) filed a suit Monday [25 December] against the state demanding a halt to fighter flights and compensation for distress caused by aircraft noise.

This is the third suit filed by residents of Komatsu, Ishikawa Prefecture, on the Sea of Japan coast, demanding halt to flights to military aircraft.

In the suit lodged with the Kanazawa District Court, the 1,653 plaintiffs call for a halt to flights of both ASDF and U.S. military aircraft between noon and 2 PM and between 6 PM and 7 AM.

They also demand 1.2 million yen for each of the plaintiffs for the past distress caused by noise and 50,000 yen per month for future distress.

The plaintiffs say the self-defense forces is unconstitutional.

They also cited two incidents as illustrating dangers from the base. In October an F-15 fighter burst into flames after failing to take off, and in November an F-15 fighter fired a missile which hit and downed another F-15 while the two fighters were engaged in a drill over the sea of Japan.

In December last year the Kanazawa branch of the Nagoya High Court ordered the state to pay 180 million yen compensation to 213 residents out of 330 plaintiffs from Komatsu but rejected the plaintiffs' pleas filed by 1975 and 1983 for a halt to flights and compensation for future distress caused by noise.

Neither the plaintiffs nor the government appealed the ruling.

Tokyo To Provide Aid to Palestinian Elections

OW2212040495 Tokyo KYODO in English 0219 GMT 22 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 22 KYODO — Japan will contribute 800,000 dollars in aid and send 50-plus officials to help monitor the Palestinian election set for Jan. 20, government officials said Friday [22 December].

The cabinet of Prime Minister Tomiichi Murayama approved the plan at a meeting Friday morning.

The officials said a team of Japanese will monitor the poll, which will establish a palestinian council to act as parliament under self-rule.

The financial aid will be sent to the palestinian authority, the body overseeing the current provisional self-rule, the officials said.

At the cabinet meeting, Foreign Minister Yohei Kono noted the importance of the election in view of the need to establish stability for the entire middle east region, they said.

MOFA Report Analyzes International Situation

OW2512140995 Tokyo TOKYO SHIMBUN in Japanese 23 Dec 95 Morning Edition p 2

[FBIS Translated Text] On 22 December, the Ministry of Foreign Affairs [MOFA] released a report entitled "Review and Outlook of the International Situation." In the report, MOFA summarizes 1995 as a year in which "the quest continued for the establishment of a new world order in both security and economic aspects with the coming of the 50th anniversary of the end of World War II." At the same time, MOFA stresses that next year, "continuous efforts will be made to form the new order, and the impact that presidential elections in the United States and Russia will have on foreign affairs cannot be ignored."

Regarding the review and outlook in terms of individual countries, MOFA analyzes that the United States, where a presidential election is coming up, has increasingly taken on an "inward-looking" stance. MOFA says that next year, "public attention will inevitably turn to domestic problems, but as for foreign affairs, public reaction will depend on results," predicting that the Bosnian peace process will have a big impact on the U.S. presidential election.

Regarding the DPRK (North Korea), MOFA says that "despite the critical economic situation, massive troops are being mobilized near the demilitarized zone." The report predicts that "although Kim Chong-il, secretary of the Workers' Party of Korea, seems to have already assumed power, the political and social stability in the country will depend on whether the food and fuel shortage problems are effectively dealt with."

Regarding the PRC, MOFA predicts that next year, "the focus will be on how the country's collective leadership in China, with President Jiang Zemin at the center, will deal with the social and economic problems in the country and the presidential election in Taiwan."

Government To Provide Yen-Based Loan to Jordan

OW2512141195 Tokyo YOMIURI SHIMBUN in Japanese 19 Dec 95 Morning Edition p 7

[FBIS Translated Text] On 18 December, the Japanese Government signed a contract to provide a 7.523 billion yen [Y] loan to Jordan through the Overseas Economic Cooperation Fund of Japan (OECF) to stabilize the currency in Jordan, which plays an important role in promoting peace in the Middle East. This yen-based loan will not be used for any specific projects.

Record-Low Overseas Development Budget Detailed

OW2512061695 Tokyo KYODO in English 0559 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The government Monday [25 December] approved a 1,145.2 billion yen budget for foreign aid in fiscal 1996, with its growth restricted to a record low of 3.5 percent.

The rate of growth is the lowest since the government started allocating budgets for foreign aid or Official Development Assistance (ODA) in 1976. The previous low was the 4.0 percent increase allowed in the current fiscal year ending March 31.

It is the third consecutive year since fiscal 1994 for the growth of the ODA element in the national budget to hit an all-time low.

The low rate of increase in the overseas aid budget is largely attributable to the nation's severe fiscal condition and the need for the growth of the overall budget to be curbed, government officials say.

The cabinet of Prime Minister Tomiichi Murayama gave its stamp of approval to the ODA outlay, contained in the overall general account budget for the next fiscal year. The overall budget will be submitted to a regular parliamentary session expected to open Jan. 22.

The proposed ODA spending makes it look likely that Japan will not achieve its fifth medium-term target of disbursing 70-75 billion dollars in aid to the developing world between 1993 and 1997.

Japan remained the world's top foreign aid donor in terms of total amount for the fourth consecutive year in 1994, disbursing 13.24 billion dollars. The United States ranked second with 9.85 billion dollars, followed by France with 8.45 billion dollars.

In its budgetary request for fiscal 1996, the foreign ministry, along with other government ministries and agencies, sought a 7.3 percent rise in ODA spending, arguing that a high growth rate is necessary to accomplish the five-year target.

The government paid out 1.1 billion dollars in foreign aid in 1993 and 1.3 billion dollars in 1994, a slower pace of disbursement than hoped for, according to foreign ministry officials.

In the breakdown of the next fiscal year's ODA spending, the government set aside 277.3 billion yen for bilateral grant aid, up 1.8 percent over the current fiscal year.

Of the sum, the budget for small-scale "grassroots" grant-in-aid amounted to 4.5 billion yen, up 50.0

percent, in view of the need to meet a wide variety of local demands and to promote cooperation with Nongovernmental Organizations (NGOs).

The government also set aside 1.5 billion yen for fresh emergency grant aid projects to help rehabilitate war-devastated areas such as former Yugoslavia and some African countries.

The ODA budget calls for a 5.7 percent rise to 348.5 billion yen in bilateral technical cooperation funds.

Such funds will be used for, among other things, inviting and training students, engineers and researchers from developing countries.

As part of technical assistance, 1 billion yen is set aside for subsidies to NGOs, up 31.6 percent from the initial budget for the current fiscal year.

The ODA budget recommends that low-interest yen loans, a key component of Japan's ODA program, be increased 2.1 percent to 390.7 billion yen.

The proposal also included 76.3 million yen for new programs to tackle global issues as part of the "common agenda" of Japan and the U.S.

The government also proposed 8.6 billion yen, up 5.0 percent, for the "peace, friendship and exchange initiative" to promote exchanges between Japan and its Asian neighbors.

The 10-year, 100 billion yen project was started in the current fiscal year to commemorate the 50th anniversary of the end of World War II and express the nation's remorse for its wrongdoing before and during the war.

The government allocated 2 million dollars worth of assistance to women in developing countries, up 100 percent, and 390 million yen for programs of the foreign ministry-affiliated Japan international cooperation agency to tackle population problems and aids, up 66.6 percent.

The budget proposal also calls for 4.1 million dollars for UN efforts to expand women's roles in society, up 96.2 percent, 6.7 million dollars for UN efforts to control drugs, up 11.7 percent, and 1.2 million dollars to help the United Nations protect human rights, up 9.1 percent.

Kono Comments

OW2412102595 Tokyo KYODO in English
0956 GMT 24 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 24 KYODO — The government will spend some 1.15 trillion yen for Official Development Assistance (ODA) in fiscal 1996, a record-low increase of 3.5 percent over the initial budget for the current fiscal year, foreign minister Yohei Kono said Sunday [24 December].

Kono made the announcement after finishing a final round of negotiations with Finance Minister Masayoshi Takemura over the draft fiscal 1996 budget in an attempt to gain what the Foreign Ministry originally requested.

Speaking at a news conference, he said the growth rate in the final draft ODA budget is the lowest ever but enables the government to reach its five-year ODA target for fiscal 1993-1997 totaling 70-75 billion dollars.

"I believe we have secured a sum necessary to achieve the midterm goal," Kono said, adding that volatile currency markets make it difficult to tell right now whether the goal will be met.

It is the third consecutive year since fiscal 1994 that ODA growth has hit an all-time low in the national budget.

Ozawa Holds News Conference 27 Dec

OW2712134695 Tokyo KYODO in English
1255 GMT 27 Dec 95

[FBIS Transcribed Excerpt] Tokyo, Dec. 27 KYODO — Shinshinto's Ichiro Ozawa on Wednesday [27 December] won the party presidential election and pledged to pursue reforms for the sake of Japan's parliamentary democracy and the well-being of the people.

"I thank my parliamentary colleagues, party members and a wide range of the Japanese people for their support," Ozawa said at a news conference.

Ozawa scored an overwhelming victory over his long-time political ally, former Prime Minister Tsutomu Hata, to become the head of Shishinto (New Frontier Party), or Japan's No. 1 opposition party.

"I feel a very heavy responsibility and a sense of mission," said Ozawa, the 53-year-old Shinshinto secretary general.

He pledged efforts to unite the party and win the next general election for the House of Representatives, which could take place as early as next spring, and wrest power from the tripartite ruling coalition led by Prime Minister Tomiichi Murayama. [passage omitted]

After his defeat became obvious, Hata held a press conference and urged Ozawa to manage the party in an open way.

Hata said, "He cannot come to power alone, and should make efforts from now on to be more open and hold dialogue with various people."

Ozawa has often been criticized for managing politics from behind the scenes and for making arbitrary decisions without building consensus among others.

Ozawa later met Hata at a Tokyo Hotel and sought his cooperation to win the next general election. Hata promised his support for efforts to unite the party to battle the ruling coalition.

Ozawa also suggested he will form the new party leadership Thursday to avoid any hindrance to party operations.

Brushing aside speculation his win may produce a split among party members, Ozawa said he wants to meet Hata as soon as possible in an effort to promote unity in Shinshinto. They held talks Wednesday night. [passage omitted]

Ozawa will soon start forming the party executive lineup and is likely to pick Takashi Yonezawa or Kozo Watanabe, both close allies, as the party's next secretary general.

In the press conference, Ozawa declined to name any secretary general candidate, only saying in Shinshinto there are many people who deserve the post.

The new Shinshinto leader plans to question the Murayama administration over the controversial government decision to use 685 billion yen of taxpayers' money to help liquidate moribund housing loan companies.

He has pledged to demand that Murayama dissolve the lower house for a snap general election immediately after the 1996 budget passes the Diet, possibly in late March. [passage omitted]

Comments on Housing Bailout

OW2812083195 Tokyo KYODO in English 0737 GMT 28 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 28 KYODO — Ichiro Ozawa, newly appointed leader of the main opposition Shinshinto (New Frontier Party), said Thursday [28 December] the party will aim at winning the next general election.

"The biggest objectives (for Shinshinto) for the time being are to win in the general election, take political power and put our ideas into practice," Ozawa said at a press conference.

The 53-year-old Ozawa was formally appointed Shinshinto president after beating Former Prime Minister Tsutomu Hata in the party presidential race by an overwhelming margin.

Ozawa criticized Prime Minister Tomiichi Murayama's government in its handling of the housing loan scandal.

The government endorsed a plan last week to use 685 billion yen from the fiscal 1996 budget to liquidate bad loans left by housing loan companies, drawing public criticism.

"The government decided on the spending without trying to clarify the facts or responsibilities in the issue, showing how irresponsible the government is and that it is only taking a haphazard policy," he said.

Hashimoto on Ozawa's Election; Refutes Proposals

OW2812134495 Tokyo NIHON KEIZAI SHIMBUN in Japanese 27 Dec 95 Evening Edition p 2

[FBIS Translated Text] After it became certain that Ichiro Ozawa, secretary general of the opposition New Frontier Party [NFP], would be elected new NFP head, Ryutaro Hashimoto, president of the Liberal Democratic Party [LDP] (also deputy prime minister and international trade and industry minister), said: "I will fairly and squarely argue with him and do my best for the future of this nation." He made the remark at the LDP headquarters on 27 December. Hashimoto noted: "Ozawa's proposal of setting up a new police contingent separate from the Self-Defense Forces to take part in UN-led peacekeeping activities is not in accord with our policy." He also refuted Ozawa's plan to increase the consumption tax rate to 10 percent in 10 years, saying: "He has proposed to implement tax cuts before the consumption tax is raised. His plan requires issuing national bonds. You cannot tell how much the national debt will expand under his plan."

Coalition To Cooperate in General Elections

OW2312125295 Tokyo KYODO in English 1242 GMT 23 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 23 KYODO — The three ruling coalition parties basically agreed Saturday [23 December] to cooperate in the next general elections in constituencies where candidates of each party will not compete against each other, coalition officials said.

The accord was reached at the first official talks on the issue among three secretaries general — Koichi Kato of the Liberal Democratic Party (LDP), Wataru Kubo of the Social Democratic Party (SDP) and Yukio Hatoyama of New Party Sakigake [Harbinger].

The three secretaries general also affirmed a policy of promoting election cooperation in all the constituencies in Osaka Prefecture by supporting the same candidates, the officials said.

In the talks, Kato stressed the importance of election cooperation among the coalition in order to stabilize the foundation of the government launched a year and a half ago and led by Prime Minister Tomiichi Murayama, head of the SDP.

The next general elections are to be contested under a new formula combining the 300 single-seat constituencies and the remaining 200 seats elected through proportional representation.

Although the four-year terms of members of the House of Representatives will expire in 1997, speculation has arisen that the next general elections could come sometime next year.

Article Views Coalition Discord Over Bad Loans

OW2512131895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 22 Dec 95 Morning Edition p 2

[FBIS Translated Text] A government scheme to liquidate the failed housing loans will likely affect the political situation. There are voices not only in the opposition camp but also in the ruling coalition urging Ryutaro Hashimoto, deputy prime minister and international trade and industry minister, to take responsibility for setting regulations on land deals when he was finance minister. They claim that housing loan companies' bad debts swelled because of the regulations. Meanwhile, the Social Democratic Party of Japan [SDPJ] and Harbinger have intensified their criticism of the Liberal Democratic Party [LDP] over the liquidation plan. Their criticism of Hashimoto and the LDP is certain to affect the timing of the dissolution of the House of Representatives for a general election and the "post-Murayama" political situation. It is unclear how things will develop from now on in the political arena.

The LDP

Some LDP members have begun to doubt whether the LDP leadership will be able to implement their plan to realize the birth of "Prime Minister Hashimoto" by having Prime Minister Tomiichi Murayama hand over the reins of government to him. In March, 1990, when Hashimoto was finance minister, the Finance Ministry decided to restrict financial institutions' loans to real estate dealers in a bid to prevent a rise in land prices. However, it exempted loans to housing loan firms from the restriction. Some SDPJ members said: "The measure allowed agricultural cooperative-affiliated financial institutions to lend to housing loan companies without a plan," urging Hashimoto to take responsibility.

Moreover, there is a growing voice calling for delaying the next general election. Also, some people have claimed that concerned persons should be summoned as witnesses before a special committee on the liquidation of failed housing loan companies. The opposition parties may demand that former Finance Ministers Hashimoto and Yoshiro Hayashi be summoned. If this happens, as a countermeasure the ruling parties will possibly call for summoning Hirohisa Fujii, a member of the opposition New Frontier Party and former finance minister.

The former Obuchi faction in the LDP has claimed that "Hashimoto should resign as international trade and industry minister to concentrate on preparations for the next general election." This opinion will be boosted by the assertion by former LDP Secretary General Seiroku Kajiyama and other LDP members that Hashimoto should take responsibility for housing loan companies' nonperforming loans. Hashimoto himself has reacted coolly to such an assertion, saying: "From the viewpoint of continuity of administration, I am responsible (for issues cropping up later)." Hashimoto is apparently being thrown into a very difficult position over the issue of liquidating failed housing loan firms.

The SDPJ and Harbinger Intensify Criticism of the LDP

There is growing criticism of the LDP within the SDPJ and Harbinger in connection with the plan to liquidate housing loan companies. At an SDPJ Central Executive Committee meeting on 21 December, many claimed that "the LDP also should be held responsible for what it did during its one-party rule." On the same day, Naoto Kan, chairman of Harbinger's Policy Research Council, also rapped the LDP for its approach to the liquidation issue. Severe public opinion against the government's liquidation plan appears to have caused discord among the coalition partners. It is possible that the unity of the three ruling parties will weaken before the opening of the next ordinary Diet session, where the liquidation issue will be discussed as a main topic.

During recent informal talks with reporters, Kan said: "As a principle, the three ruling parties should work in close cooperation to make budget requests. However, LDP leaders concerned with agricultural issues took independent actions behind the scenes." He indicated his intention to make a complaint to the LDP.

Kan also said: "The process (of compiling the liquidation plan) was opaque. While offering no opinions at meetings of the ruling coalition's project team, LDP's bureaucrats-turned-Diet-members pressed the Ministry of Agriculture, Forestry, and Fisheries not to disclose the figure (of the government spending to help liquidate the housing loan firms) until the last minute." Concerning the fact that many LDP members blasted the contents of the liquidation plan at an LDP General Council meeting, Kan critically said: "That was a case of obfuscation."

Kozo Watanabe on Shinshinto's Need for Unity

962B0018A Tokyo USHIO in Japanese Jan 96 pp 138-149

[Report on interview with Kozo Watanabe, Shinshinto Party Political Affairs Chairman, by Eiji Oshita; place and date not given: "What Is the Secret To Regaining Power?"]

[FBIS Translated Text] **Reaction to the Saga Prefecture By-Election**

[Oshita] Shinshinto Party candidate Toshimasa Amamoto was soundly defeated by a 58,000 vote margin by Liberal Democratic Party [LDP] candidate Hiromi Iwanaga in the special Upper House election held in Saga prefecture on 19 November. The election, a direct face-off between the Shinshinto and LDP, is considered a preliminary skirmish before the next general election to be held under the new single-seat constituency system. What were your reactions to the outcome?

[Watanabe] Shinshinto came out with its candidate earlier than the LDP. But along with Shimane Pref., Saga is an LDP stronghold. Even though it could only take three of the 26 single-seat districts in the Upper House elections in July 1989, the LDP won in Saga, then, too. In this July's Upper House election, the Shinshinto didn't come out with a candidate and lost by default. But for the sake of seeing a two-party system realized, we felt we needed to run and did. In the end, even though we did an exhaustive job of selecting our candidate, we weren't able to realize the kind of potential needed to win.

[Oshita] Even with the strength of the influential Soka Gakkai Buddhist lay organization backing the Shinshinto?

[Watanabe] The Soka Gakkai is an ardent supporter. But no matter how much people point to the strength of the Soka Gakkai, there are regional differences to contend with. It has tremendous influence in metropolitan areas like Tokyo or Osaka or Saitama [prefecture]. But in some smaller towns and villages, there are people who have never heard of the Soka Gakkai. So, in Saga, too, you can't rely exclusively on the Soka Gakkai.

[Oshita] In the Saga election, it was a mistake then to pin all your hopes on the Soka Gakkai.

[Watanabe] Yes. But the outcome won't have any particular effect on the next Lower House election. The Liberal Democrats aren't thinking of calling for an early dissolution and general election just because they won in Saga. Rather, they probably took their win as a given.

[Oshita] The mass media are reporting that Shinshinto's leaders are discouraged by the results.

[Watanabe] No. That's not true. We fought well. In any case, Shinshinto's only Diet representative from Saga is Koichi Aino, and in the next election, which will be held under the single-seat constituency system, we will be running our candidate in a proportional representation district. That much has already been decided, so we should be seeing a strong, active Aino support committee at work there.

[Oshita] Shinshinto's recent election defeat, coming as it does before the party's leadership contest in December, is said to have weakened the chances for a slate pairing (Toshiki) Kaifu for president and (Ichiro) Ozawa for the secretary general's position.

[Watanabe] You won't be hearing that kind of report in four or five days' time. The results of the by-election are irrelevant. It wouldn't have made any difference if we had run the Saga campaign under a Kaifu-Ozawa slate or even a (Tsutomu) Hata-(Yoshikazu) Okuda slate.

* * *

On the morning of 9 November 1995, LDP's freshman and sophomore class of young Diet members were summoned to a meeting with Secretary General Koichi Kato.

Previous engagements kept all but five or six from attending on such short notice.

Trying again, Kato called another meeting.

The message was "to gather at party headquarters, Room 704, at 2:30 p.m."

Receiving this second notice from his secretary, Hiroyuki Arai, a freshman belonging to the old Mitsuzuka faction, tilted his head in puzzlement. Arai hadn't attended the meeting called for 11 o'clock that morning.

"It's probably about the Saga by-election," he thought. "Since this is the second summons, it must be pretty important."

Some fifty young lawmakers either attended or sent their secretaries to represent them at 2:30 pm. The party's executive ranks were represented by a line-up that included Secretary General Kato, Acting Secretary General Hiromu Nonaka, and vice-secretary-general-class lawmakers like Makoto Koga.

Furrowing his brows, Kato spoke as if to underscore his words:

"The by-election in Saga is our biggest hurdle as we face the coming Lower House election. It is absolutely imperative that we win this by-election. The reason I had you gather here today is to request that you junior lawmakers, with your young, fresh faces, go out there and show your support. I want you to canvass the area, hitting all those with influence in the area. A local prefectural legislator will serve as your guide. We'll be counting on you to do your best."

This gathering of young lawmakers was spurred on by each of the party leaders in turn.

"This by-election," they were told, "is an important fight that will influence future farm administration. Otsuka was responsible for Saga's agricultural administration. [His replacement], who will represent Saga and its farming industry, must continue to be a Liberal Democrat. We want you to go around to the farm agencies and cooperatives and ask for their cooperation."

"The Shinshinto," they were told, "including the Soka Gakkai, are challenging us in the polls. This fight was forced on us. It is absolutely imperative that we win it. This post is a seat that is reserved for the LDP. There is no reason to defer to the Socialists."

Becoming even more emphatic, Kato and the others continued. "Between the fourteen and sixteenth [of this month]," they said, "all new party business will be suspended for freshmen and sophomores. So will meetings of the Political Research Council. We want everyone's energy freed up so you can put everything into the election."

Usually, requests to Diet members for their support come from the Bureau of Campaign Touring. Never have such requests gone so far as to temporarily suspend the business of the Political Research Council. Arai watched as these leaders whipped up their party's fighting morale in preparation for the Saga by-election.

* * *

LDP Harasses Soka Gakkai

[Oshita] Next, I would like to ask you about the debate over revisions to the Religious Corporation Law. The Liberal Democrats are threatening to summon Daisuke Ikeda, the honorary president of the Soka Gakkai, to testify before the Lower House. What are your thoughts on the matter?

[Watanabe] That kind of arm-twisting will never be accepted in the Diet. There is absolutely no reason to have to call Ikeda. An expert on Diet matters would probably point out that public hearings and witness testimony and questioning are never conducted in the Lower House. Nor, in this case, are they consistent with the usual business of the Upper House. Granted, public hearings are almost always held when a major regulation is being considered; more often than not witness testimony and questioning are not. The pros and cons of having witness testimony are still being debated. But if, by any chance, the decision is to go ahead with them, there is still absolutely no reason at all to summon Ikeda.

[Oshita] Then, are they going to summon Soka Gakkai chairman Einosuke Akiya to testify?

[Watanabe] There is no particular need to call him either, is there? After all, if he's summoned, it will probably be to ask about financial and accounting matters. But if he is summoned, it won't be possible to stop with just the Soka Gakkai. Rissho Koseikai will also have to be summoned, and representatives of the Buddhist churches and the new religions. All of them. But, in that case, it won't be the founders who are called but those who are in charge of business matters.

[Oshita] Still, I suppose the LDP wants to summon Ikeda.

[Watanabe] Yes. But there's no precedent for it. Are they then also going to summon Nikkyo Iwano from Rissho Koseikai? There isn't a single person in the LDP who would be able to admit to such a possibility.

[Oshita] If the LDP summons Ikeda, it would look funny if he refused, wouldn't it?

[Watanabe] Umm. And are they also going to summon the revered heads of the Tendai Sect and Shingon Sect? What's being made an issue are the business activities, including the accounting, of religious corporations. Ikeda wouldn't know anything about such matters. It's the person responsible for those activities—whether in the Soka Gakkai, Rissho Koseikai, or Tendai or Shingon sects—who should be asked to appear.

[Oshita] But the Liberal Democrats are threatening to summon Ikeda.

[Watanabe] That kind of talk is something we should be ashamed of. It's nothing more than an attempt to use the Diet to advance party interests.

[Oshita] But LDP Secretary General Koichi Kato is adamant in his demands.

[Watanabe] I wonder what's gotten into him? Just bringing up the question of whether to summon [Ikeda] or not is fundamentally mistaken.

[Oshita] I guess the LDP wants desperately to block Soka Gakkai's influence if possible.

[Watanabe] Yes. But you'll never find an instance anywhere in the world where political interference has succeeded in destroying a religious group. On the contrary, such groups have shown even greater solidarity.

[Oshita] Just the opposite effect is achieved.

[Watanabe] I think so. Look at the effect that the LDP's bullying of the Soka Gakkai has had. There has never been an example in world history of government meddling destroying religion. Rather, the more government tries to interfere, the more believers grow in strength and number.

[Oshita] I guess LDP's leaders believe that a little harassment will weaken the organization and frighten Soka Gakkai's members into stopping their election activities.

[Watanabe] Not necessarily, considering what is in the revision proposal. When Kato tried to make his idea to persecute religious corporations into law, the Education Ministry acted to temper its impact. Initially, Kato had intended, under the new law, to have the ministry strip the Soka Gakkai of its corporate status the first time around and then have it newly apply to the ministry for reinstatement. But the ministry refused to go as far as Kato wanted. Even if the bill passes, all it will do is effect an automatic transfer [of jurisdiction] from Tokyo to the Education Ministry.

[Oshita] Under the proposed revision, [the Soka Gakkai] would not temporarily lose its status or be disqualified as a religious corporation.

[Watanabe] No. That was Kato's intent. But now, even if the proposal were to pass, it won't have any particular effect on Soka Gakkai's activities.

[Oshita] Is the LDP that intimidated by Soka Gakkai and its influence on elections?

[Watanabe] There hasn't been enough self-examination on the LDP's part. When you lose an election, the first thing you have to do to get back on your feet is engage in self-reflection. The main reason the LDP lost and Shinshinto drew the most votes in July's Upper House proportional-representation-district contest was voter dissatisfaction with the Socialist-Liberal Democratic coalition government. That's the only reason. To start blaming their loss on the Soka Gakkai shows a lack of self-reflection on their part. Every citizen, other than public government officials, has the freedom to participate in election activities. This freedom applies to you whether you are a welfare organization or religious group. Of course, there should be discussion when election activities are undertaken by quasi-public officials or groups receiving tax monies for their staff and operating expenses. Look at the LDP's own campaign activities. Until now groups receiving financial assistance from the government or, to take a more extreme example, individuals whose salaries were fully covered by public funds have been members of LDP's campaign staff. Those are really things that ought to be critically examined.

[Oshita] They haven't been put to the scalpel yet?

[Watanabe] No, no at all.—Because what the LDP has been doing until now is like using tax monies for its campaign activities. If the mass media is going to talk about political or administrative reform, they should be examining the use of taxes for political campaigns. That is a far more important question. Much more important than Soka Gakkai's election activities.

[Oshita] That form of campaign activity never takes place in the Shinshinto?

[Watanabe] It does. We have our individual supporters, too. So it's very difficult to examine the issue.

[Oshita] Are you saying, then, that if the LDP is going to attack the Soka Gakkai, then this other issue should be looked into first and be used as a launch-site for any attack?

[Watanabe] Yes. It is really strange that the mass media won't take the issue up at a time when the public is so critical of official receptions.

[Oshita] Having won in the Saga by-election, the LDP will probably step up its attack on the Soka Gakkai.

[Watanabe] That is probably what some of them are thinking. But there are also a lot of cool, level-headed people in the party. It will be to their credit and good sense to realize their win there was only to be expected and that if they make too big a deal of it, they'll become laughingstocks.

Where Is the Party's First Open Presidential Election Headed?

[Oshita] About Shinshinto's presidential election in December.... As it's turned out, it will be an open election where anyone who pays 1,000 yen can cast his vote. How do you feel about this?

[Watanabe] Well, it's something that (former Prime Minister Morihiro) Hosokawa learned about from abroad. The party's younger Diet members quickly proceeded to adopt it without having any real basis. Considered with a cool head, they'd realize we're not ready yet. We could easily have waited until Shinshinto was one-million members strong and firmly organized locally in every prefecture. Theirs is one of a number of methods. But frankly speaking, our central office still doesn't have a grasp of even how many party members there are.

[Oshita] The talk around town is that this all came about because of a strong anti-Ozawa sentiment within the party.

[Watanabe] Only a handful of people feel that way about Ozawa. They go around stirring up the young party members. It's natural that these junior legislators might think it will help them out in their own elections if everyone can vote. Their feelings are quite understandable. That's the reason I wasn't especially vocal in opposing the idea.

[Oshita] Which is bigger—its merits or its demerits?

[Watanabe] It's odd that anyone other than a party member would take part in selecting the party's leadership. To take an extreme case, LDP and Communist Party members can both participate if they pay 1,000 yen. In fact, it won't happen. But theoretically, there are major inconsistencies in the new election scheme. It's unthinkable that the rival Communist Party will participate in selecting Shinshinto's leader. There must be a lot of lawmakers who are now realizing how absurd the new policy is. But it's been decided, and we have no other recourse now but to carry it out.

[Oshita] Are Kaifu and Hata the only two who will be running in the leadership election?

[Watanabe] It's not clear. You can't discount the idea that Hosokawa may run. Nor that Ozawa will run. I would like to see Wakako Hironaka or Kunio Hatoyama and Kazuo Aichi or even Gen Funada get up the courage to run. Unfortunately, with a 16 December deadline for announcing one's candidacy and the election taking place on the 28th, there's no time. It would have been interesting if there had been a month or so to campaign.

[Oshita] Why wasn't the date extended?

[Watanabe] The Diet session was extended to 15 December. And since it had been decided that the party's presidential election would have to be held within the year, the period necessarily got shortened.

[Oshita] Suppose only Hata and Kaifu ran. Would their contest leave behind a bitter aftertaste?

[Watanabe] With those two, I don't think so. Not unless the group that is against Ozawa takes off on some strange course of action. It's not a concern as long as it is a clean fight between just Hata and Kaifu.

[Oshita] What are Ozawa's thoughts about the party's presidential election?

[Watanabe] Probably the only thing in his head right now is how to fill 300 single-seat districts.

[Oshita] It seems some people are saying that, if Hata is elected president, Ozawa will not be appointed secretary general, a post the party president is given to fill.

[Watanabe] Some of Hata's backers probably want to keep those rumors alive. But I think Ozawa will be appointed even if Hata wins the presidency. The question is how Hata will be able to convince the small handful, the two or three, who are pushing his nomination. At the risk of being redundant, I have been saying, "What's important for Shinshinto at this time is party unity." We shouldn't be thinking only of ourselves and of "getting a good post." What is important is pulling the party together, rather than pursuing our own self-interests. After all, it has only been a year since the party was formed. I'm willing to take on that unifying role.

[Oshita] If those problems you mention didn't exist, would you consider running yourself?

[Watanabe] That I don't know. I might if there were a little more stability and unity in the party. But it would be meaningless to run if the leadership contest ends up destroying the party. The two or three principal supporters of Hata's nomination don't understand that. Their only concern is distributing posts. But they should realize that there might not be any pie in the end to cut up.

[Oshita] Were there any ill feelings left from having forced Kaifu's selection as the party's first president last December (1994)?

[Watanabe] There's no doubt that, at the time, some of our junior members wanted Hata but, in deference to Ozawa, voted for Kaifu instead.

[Oshita] I wonder if Ozawa felt obligated to Kaifu?

[Watanabe] Well, after all, he did drag Kaifu from the LDP, saying he would make him prime minister. Speaking from the point of view of Shinshinto's image—in English, it's called "New Frontier Party"—I suppose Hosokawa is really be the more suitable choice to head the party.

[Oshita] Has the dust settled sufficiently from his resignation over the Sagawa Kyubin incident?

[Watanabe] It was a mistake for him to have stepped down as prime minister. But Hosokawa is the kind of politician—the kind being touted for the upcoming open election—who often makes [grand-]stand plays and is typically a solo performer rather than a team player. If that's the so-called new breed politician, then so be it. In my day we were team players, group players, in the Tanaka and [Noboru] Takeshita factions. The environment we grew up in was different.

Shinshinto's Leadership Contest, Assessment of Nine Lawmakers

[Oshita] In Hosokawa's case, a point that is touched on is his family background. To quote: "The Japanese people place value on bloodlines. Hosokawa is popular, being from aristocratic stock and a family line that goes back to Kamatari Fujiwara." If Hosokawa runs, that will change the entire atmosphere of the race.

[Watanabe] Considering just the three—Hata, Kaifu and Hosokawa—I'd say Hosokawa would have the most popular appeal and fit the idea that "the Shinshinto is not the LDP but an entirely new political party."

[Oshita] What about Hata? You've said, "He may not create the impression of brilliance, but he's good natured. He's sincere. Ten out of ten who meet him will come away with a good impression. In Ozawa's case, that would be one in ten. Having been prime minister for only two months, Hata probably still has an unfulfilled longing for the post."

[Watanabe] Hata is terribly respected in the party. He's actively courting the younger members for their support.

[Oshita] How about Kaifu? To quote: "The Kaifu-Ozawa pair made up a winning team for the LDP when the Recruit scandal and former Prime Minister Uno's womanizing were giving it a rough time. This was the team that also won the last Upper House election."

[Watanabe] I'll refrain from commenting.

[Oshita] How about Kunio Hatoyama? "He has a bright personality, and never goes around with the air of someone who graduated at the top of his class from Tokyo University's Department of Law. He's Shinshinto's next rising star and driving force."

[Watanabe] He's been growing a lot. He doesn't get hung up on small details. More than anything else, he has a bright personality. He doesn't worry about partisan issues like what group someone is affiliated with."

[Oshita] How about Gen Funada?

[Watanabe] He's a nice young man. He's the one I have the most expectations of. But he has a tendency to slightly overdo his anti-Ozawa side. He's under the influence of the mass media and two or three of his supporters. It's a matter of learning from experience. I hope he quickly finds his way back to the "royal road." Because he is a very promising young man.

[Oshita] Michihiko Shikano is well thought of, isn't he.

[Watanabe] He has a kind, honest nature.

[Oshita] You also speak well of Kazuo Aichi. Eight years ago, when you went together to the United States on an energy-related matter, you were impressed by his enthusiasm and energy. But he's "not suited to the complications and hurly-burly of political power," you say.

[Watanabe] Yes, that's true.

[Oshita] Wakako Hironaka, how about her? You went so far as to say she might someday be secretary general.

[Watanabe] Good or bad aside, it was a matter of her being a woman. Turkey recently gave rise to a female prime minister. A college professor, she was serving her first term in Parliament. Turkey is a country where the political situation is extremely complicated, and with a coalition cabinet, you will find things being pieced together from this quarter or that and then pulled apart and re-glued. A scholar with no connection to that kind of socio-political strategizing then becomes a member of parliament and then prime minister. Suddenly, I thought of Wakako Hironaka. Although she is a Komei alumna, her views don't have a strong Soka Gakkai coloring.

[Oshita] How about Ozawa these days?

[Watanabe] In his own way, he is working hard on the election. We should graciously accept [his bid]. We should take advantage of the unique strengths and qualities that each one has. What is important for the Shinshinto right now is taking the LDP's place as one of Japan's two major parties. For that, we must first of all realize the importance of having the enthusiastic support of Soka Gakkai's members. Since we all have different talents, this will be a total war, involving everyone. We are a new political party, still barely a year old, and still without a solid organization. Contrast this to the party we are up against. The Liberal Democrats have a forty-year-long history. We do not have the leeway to create a lasting rift between those for or against Ozawa. In my small way, I intend to exhaust whatever talents and energies I have to unite the party. If the two or three pushing Hata to the front are ignored and allowed to do what they want, the party will end up being disbanded.

Determined To Regain Political Power, To Win General Election

[Oshita] Are you likely to win the next election?

[Watanabe] Everyone has his own unique qualities. This is true of Hata, of Hosokawa, of Kaifu, (Yuichi) Ichikawa, Ozawa. They all have their own special qualities. If they can come together and be of one mind and spirit and give the next battle their all, then, there is absolutely no doubt we can beat the LDP.

[Oshita] Can you capture the majority?

[Watanabe] Yes, we can. But if the kind of anti-Ozawa sentiment that is being conveyed by a segment of the party continues, then it will lead to the party's dissolution. I believe about ninety percent of our Diet members feel the same way as I do. Two or three are making a fuss about Ozawa's associations. Two or three are making a fuss about Hata's associates. All together there are about five [troublemakers].

[Oshita] There are a lot of young lawmakers in the Shinshinto.

[Watanabe] Yes, because 70 are first-term Diet members. They are full of promise. But those facing an election have a tremendous burden. Some think they can win "even without Ozawa." Reality isn't that sweet. Hata and Ozawa. I think they make a great team. Hata is not a Machiavellian, he doesn't resort to manipulation and deceit. He candidly states what he thinks and gets along fine with the younger generation of lawmakers. Ozawa goes from one region to the next, developing candidates for the 300 electoral districts. Hata then goes around, giving them support.

[Oshita] In that respect, you said if you could bring the party together, it could become a political alternative to the LDP.

[Watanabe] Yes. I'm a conservative. I want our party to be an equal match for the LDP, our conservative rival. Then, if we got the Komei people and the former Democratic Socialist Party's Yuaikai group in our camp, our side, of course, would be stronger.

[Oshita] Is there a chance you'll gain a majority?

[Watanabe] Even in my home state of Fukushima, there will be two conservative camps fighting it out. In that case, if we had Yuaikai and Komei's strong backing, we would probably win.

[Oshita] How does it look overall?

Right now, the leadership contest has more [names] than needed. Reporters are having somewhat of a field day writing about the confusion. But once things quiet down, they'll find there's nothing to it. What I tell our young people is that what they should be thinking about right now is winning the [general] election. "The election is everything," I tell them. Once we've won, then they can think about dividing the pie. Our party is still just a year old. We don't know what will happen. So it's foolish to be concentrating on just dividing the pie.

[Oshita] Do you consider the LDP a formidable match?

[Watanabe] There is no use crying over spilt milk. Still, if Ozawa and [Yuichi] Ichikawa had been receptive to the Socialist Party's demands without being unreasonable about it and we had continued to work within the Hosokawa coalition government framework, the Liberal Democratic Party would not be around today. The LDP had kept itself in power for 40 years through political influence. Given political influence, it remains a strong party; denied political influence, it becomes brittle and easily breakable. We handed it political influence, and now we're going into the ring with them.

[Oshita] Will the LDP get stronger now that your old associate, (Ryutaro) Hashimoto, has been elected the new party president?

[Watanabe] It doesn't make any difference. It never occurred to me that Hashimoto's becoming president would make the party stronger. But clearly, though the present administration is known as the Murayama Cabinet, the LDP has hold of it. Because of its political influence, the LDP was in power for 40 years and able to move money, Zenekon [corp.] and Kasumigaseki [officialdom]. Once it was removed from the center of power and made an opposition party, it should have been kept that way. Then there wouldn't be a problem. Instead, we acted very foolishly.

[Oshita] Deprived of political power, it was like a dried out sponge without water.

[Watanabe] Away from power, the LDP isn't a threat at all. Supported by power for 40 years, party members must have found their year as an opposition party very painful. So they decided to share power with [their long time rival] even if it meant creating a Socialist Party administration.

[Oshita] What do you think of Secretary General Kato's methods? He seems pretty strong-willed.

[Watanabe] At this point, he seems to have hit his mark, cleverly manipulating public sentiment about the Aum Shinrikyo sect in order to revise the Religious Corporation Law. But that wasn't necessarily just Kato's idea.

[Oshita] There are more and more "militant" elements in the LDP, don't you think? People like Shizuka Kamei, Hiromu Nonaka, Katsuhiko Shirakawa.

[Watanabe] That, I think, is going to be a negative. It is a case of hysterics. There is no longer any sense of true statecraft. Politicians have to tread the "royal road" to just government. There are limits to how long they can get by using the art of deception.

[Oshita] Still, Prime Minister Murayama seems to be of the mind to stay on.

[Watanabe] He is a man of good character. Murayama's character is the reason his administration has lasted this year and a half. Despite appearances or what one has thought about his cabinet, no one hates or dislikes him.

[Oshita] Because of their bitter experience being an opposition party, the Liberal Democrats have learned to forbear and persevere.

[Watanabe] Yes. In that respect, they have behaved much more like adults than we did when our non-LDP coalition government was in power. At the time, Kato said, "When we get into power, we are going to act much more like adults than you are now." What he said, at least for now, is true.

[Oshita] Perseverance and forbearance.

[Watanabe] Actually, we would have looked at any move to drop Murayama before the end of the year as another chance for us. Somehow, it looks like they're going to stick it out with Murayama until next spring (1996).

* * *

Remaining cautious, even with the LDP's victory in the Saga by-election, Secretary General Kato says his party "will continue to support Prime Minister Murayama." While waiting for the line of succession to pass from Murayama to Hashimoto, he is trying to maintain the existing ruling-party framework. Like words carved into his heart, he is determined not to repeat his experience as a member of an opposition party.

In-fighting within the opposition Shinshinto party will only be to the LDP's advantage. Watanabe, the man trying to keep his party from splitting up and unite it against the LDP for a return to power, makes a desperate plea.

Ozawa. Hata. Aren't they part of the same group that once bolted from the LDP in order to create a two-party system? Rather than view their close associates as rivals, shouldn't these party members be fighting their common foe, careful not to give it an advantage?

SDP Sets Leadership Election for 14-15 Jan

OW2212021595 Tokyo KYODO in English
0111 GMT 22 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 22 KYODO — Prime Minister Tomiichi Murayama's Social Democratic Party (SDP) announced Friday [22 December] it will hold an election for the party's new head Jan. 14-15.

The outcome of the poll is to be announced Jan. 16 and a new SDP leadership selected at an annual party convention set for Jan. 19. Applications for candidacy will be accepted Jan. 5.

Murayama has suggested he will run in the race and there is a possibility of him being reelected by running unopposed.

The premier has taken a leading role in postponing establishment of a new "liberal" party sought by a center-right group led by the SDP's No. 2 man, Secretary General Wataru Kubo.

Some supporters of Kubo and a group of leftist members are also exploring the possibility of pitting their own candidates against Murayama.

Eligible to vote in the election are some 110,000 SDP members and supporters who have been cooperating with the party for more than a year.

The SDP is a partner in the tripartite ruling coalition that also includes the Liberal Democratic Party (LDP) and New Party Sakigake [Harbinger], an LDP splinter group.

Government Approves Defense Personnel Shifts

OW2512082095 Tokyo KYODO in English
0750 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The government Defense Council on Monday [25 December] adopted minor personnel shifts from the Self-Defense Forces to the Joint Staff Council in fiscal 1996, beginning April 1.

The Security Council of Japan, headed by Prime Minister Tomiichi Murayama, decided to cut the number of staff members of the Ground Self-Defense Force (GSDF) by 570, the Maritime Self-Defense Force (MSDF) by 333, the Air Self-Defense Force (ASDF) by 349, and to increase the Joint Staff Council staff by 1,202.

The set number of members for the GSDF is 180,000, 46,085 for the MSDF and 47,556 for the ASDF, but their actual numbers currently fall short of the fixed figures.

The council also endorsed equipment procurement plans under the government plan for the fiscal 1996 budget, including 11 F-2 fighter support planes and four F-15 fighter-interceptor planes.

DA on New Integrated Intelligence Headquarters

OW2512124295 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 24 Dec 95 Morning Edition p 2

[FBIS Translated Text] On 23 December, negotiations were held between vice ministers of the Finance Ministry and the Defense Agency [DA] on restoring the

DA's demands for the FY96 budget, and it was decided that a new "intelligence headquarters [IHQ]" with its complement set at 1,582, will be established by integrating various intelligence-concerned bureaus and departments under the DA's internal bureaus and its Air, Ground, and Maritime Staff Offices. As assigned to participate in the UN Peacekeeping Operations [PKO], the Self-Defense Forces [SDF] will have more chances to engage in various other operations. In this connection, the new IHQ will be set up to strengthen the DA's capability in collecting and analyzing intelligence. And it is expected that a new organ to engage in full-fledged military intelligence operations will be set up at the Ground Self-Defense Force's Ichigaya base as early as in January 1997.

A general-class uniformed officer (equivalent of a three-star general) will be assigned as IHQ's chief, and he will be assisted by a deputy chief who will be concurrently defense councillor of the Internal Bureau; three "intelligence officers," including one who will be in charge of exchanging intelligence with the U.S. Forces Japan; and one "technological officer," who will be in charge of technological issues. The IHQ will be composed of five departments: general affairs, planning, analysis, pictures [gazo] and electronics. Information collected by pictorial and electronic departments will be analyzed by the analysis department, and then reported to the Internal Bureau, the Joint Staff Office, as well as Air, Ground and Maritime Staff Offices through the planning department. Moreover, an "intelligence committee" (to include the DA's vice administrative minister) will be set up on top of the IHQ to determine the basic policy for the IHQ's operation.

Prefecture Criticizes Donen Over Reactor Leak

OW2512131795 Tokyo KYODO in English 1236 GMT 25 Dec 95

[FBIS Transcribed Text] Fukui, Japan, Dec. 25 KYODO — The Fukui prefectural government, host to the prototype fast-breeder reactor Monju that was shut down after a huge sodium leak, criticized the reactor's operator Monday [25 December] for lacking the necessary system to deal with such accidents.

The prefectural government made the criticism against the government-funded Power Reactor and Nuclear Fuel Development Corp. (Donen) in a report on the Dec. 8 accident at the plant located in Tsuruga, Fukui Prefecture, on the Sea of Japan coast.

In the report, the local government said that the management of sodium coolant is basic to operating a fast-breeder reactor, but with the present system and equipment at the Monju reactor, Donen is unable to act promptly after a sodium leak.

The prefectural government also rapped Donen for its delay in informing the public of the accident.

Donen reshuffled three senior officials who withheld videotapes taken at the site of the accident. The three officials withheld the videotapes in an attempt to cover up the extent of the leak.

A panel of the three-party ruling coalition discussing the Monju accident agreed Monday to send a fact-finding mission to the reactor site in Tsuruga early next year, coalition officials said.

The coalition panel also agreed to reconsider, if necessary, government policy promoting nuclear fuel recycling, in which plutonium is removed from spent nuclear fuel to be reprocessed for use as nuclear fuel again, they said.

It is one of Japan's major energy policies, and the government aims to put the system into practical use in the first half of the 21st century.

Meanwhile, Donen officials said the corporation is considering diverting more than half the plutonium shipped from France three years ago for use at the Monju reactor to other reactors.

The officials said Donen is considering the move due to the indefinite delay of operations at Monju following the sodium leak.

Donen decided to shift the plutonium because Monju requires high-grade plutonium and current stocks could degrade if stored for an long period, the officials said.

Japan shipped 1 ton of plutonium from a reprocessing plant in France amid protests from countries along the shipping route.

At the time, Donen and the Science and Technology Agency said the shipment was a vital replacement fuel for Monju.

But because of delays at a factory in Japan making plutonium for Monju, the processing of the imported plutonium did not begin until December 1994.

Some 600 kilograms, or more than half the transported amount, is still unprocessed and in storage at the village of Tokai in Ibaraki Prefecture, northeast of Tokyo.

A Donen official said the fuel could be used at an experimental fast reactor known as Joyo at Oarai in Ibaraki Prefecture and at a prototype heavy-water reactor known as Fugen in Tsuruga.

The diversion of the fuel would not involve major problems in regard to nuclear fuel treaties with France and the United States, but Japan would have to explain its actions to gain international understanding, the Donen officials said.

Water Leak Forces Shutdown of Miyagi Reactor

OW2412234195 Tokyo KYODO in English
2306 GMT 24 Dec 95

[FBIS Transcribed Text] Sendai, Dec. 25 KYODO — Operators began shutting down manually a nuclear reactor at a power plant in Onagawa, Miyagi Prefecture, on Sunday [24 December] night after a water leakage was discovered, officials said Monday.

At 6:15 PM Sunday, operators found water leaked from a heater between the high- and low-pressure turbines at the plant run by Tohoku Electric Power Co. The heater is used to remove moisture from steam generated at the core of the No. 2 reactor, the officials said.

The operators began to close down the 825,000-kilowatt reactor at 10 PM.

There was no abnormal radioactivity around the reactor, they said.

The No. 2 reactor went into commercial operation in July.

Authorities Take 'Serious View'

OW2512071195 Tokyo KYODO in English
0636 GMT 25 Dec 95

[FBIS Transcribed Text] Sendai, Japan, Dec. 25 KYODO — Miyagi prefectural authorities said Monday [25 December] they take a "serious view" of a leak of water at a reactor operated by Tohoku Electric Power Co. in the prefecture in northern Japan despite the company's assurance that it involved only a minute release of radioactivity.

The leak occurred near a hygroscopic moisture heat separator on the plant's No. 2 reactor at Onagawa, a light-water, boiling water type with an 825,000-kilowatt power output.

Operators began shutting down the reactor manually on Sunday night after the leak was discovered and completed the process by midday Monday, after which they began investigating the cause of the leak.

Yutaka Suto, head of the company's nuclear power division, told a press conference that radioactivity in the coolant water amounted to "a mere trace."

Prefectural officials counter by saying they view the case as "an extremely serious mishap" since the reactor had only recently begun operations in July.

An investigation by prefectural and company officials indicates that the site of the problem was a device that adjusts the high water mark on a drain tank on a second stage heater forming part of a hygroscopic moisture heat separator installed to more effectively remove steam generated in the reactor.

At 6:15 P.M. Sunday, operators found water leaked from the heater between the high- and low-pressure turbines.

When the most recent inspection was carried out Dec. 10, no abnormality was found.

MITI To Enhance Supervision of Power Plants

OW2512070995 Tokyo KYODO in English
0632 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The Ministry of International Trade and Industry (MITI) will instruct operators of electric power facilities under its jurisdiction to establish a safety system for their operation, a senior MITI official said Monday [25 December].

MITI will urge power plant operators to step up training and inspection to prevent accidents, and ensure a system for an immediate reporting to the ministry in the case of emergency, said Tomio Tsutsumi, vice MITI minister, during a news conference.

Tsutsumi was apparently referring to the recent attempt by the operator of the Monju prototype fast-breeder reactor to cover up the extent of an accident.

Monju and other atomic power plants are under the jurisdiction of the Science and Technology Agency while ordinary power reactors are supervised by MITI.

A large amount of sodium leaked at Monju on Dec. 8, forcing the plant's shutdown.

A government organ in charge of running Monju has been under fire for deliberately editing or withholding videotape taken inside the plant shortly after the accident.

Donen Transfers Reactor Officials for 'Cover Up'

OW2312053395 Tokyo KYODO in English
0510 GMT 23 Dec 95

[FBIS Transcribed Text] Tsuruga, Japan, Dec. 23 KYODO — The operator of the prototype fast-breeder reactor Monju announced a reshuffle Saturday [23 December] of three senior officials involved in an attempt to cover up the extent of a sodium leak that forced the shutdown of the plant Dec. 8.

The Governmental Power Reactor and Nuclear Fuel Development Corp. (Donen), which has come under fire for deliberately editing out or withholding videos taken inside the plant shortly after the accident, said the three officials will be transferred to other posts.

The officials are Yasuhito Omori, who heads construction works at the Monju Plant, located in Tsuruga, Fukui Prefecture, on the Sea of Japan coast, his deputy Isao Sato and Futoshi Maeda, a section chief.

They will be posted to other Donen ventures in a bid to "radically revise the system of responsibilities at the Monju site," Donen officials said.

Pending approval by Prime Minister Tomiichi Murayama, Tadao Takahashi, the Donen director in charge of Monju operations, will be replaced as well, they said.

Omori, who has admitted concealing the existence of a video shot at the site of the sodium leak, was found "not to be apt to fill his position given his response to the accident," the officials said.

Donen reserved "official" disciplinary measures until full clarification of the scam could be made.

Omori will be succeeded by Buro Kikuchi, head of the Planning Department, while Sato will be replaced by Takeo Suzuki, a deputy department chief. Maeda's post will be taken over by Takashi Matsumaru.

Omori will remain at the Monju plant until the Science and Technology Agency has concluded its ongoing investigation.

The agency's nuclear safety bureau chief, Masayasu Miyabayashi, earlier Saturday inspected the fast-breeder's control room and the piping room where the leak occurred.

Also checking on the plant was Chojiro Takahashi, chairman of the Aomori Prefectural Assembly. The northern Japanese prefecture has been chosen as the site for a nuclear fuel recycling facility.

In Tokyo, Fukui Gov. Yukio Kurita told agency chief Yasuoki Urano that Fukui citizens "feel betrayed" because of Donen's deceptive reports about the accident and urged Urano to deal with the matter strictly.

While noting that Donen's cover-up had apparently been sparked by the desire to advance the fast-breeder project, Kurita said that the plant's safety and reliability is most important.

"We will not be satisfied unless they (Donen) radically change their consciousness," he said.

In response, Urano pledged that the agency will strengthen its supervision over the reactor operator. "I'm sorry that such a thing could happen. I'm ashamed of the lack of transparency," he said.

Asked by reporters whether the prefecture would join the agency's investigation of the accident, Kurita said it would rather conduct its own probe.

He added that he did not approve of Donen's action against the three officials. "I can't say it's good to take disciplinary measures so quickly. I think in order to fully clarify the cause of the cover-up those involved should remain for the time being," he said.

'Sources' Note Previous Leaks at Monju Reactor

OW2312085295 Tokyo KYODO in English
0833 GMT 23 Dec 95

[FBIS Transcribed Text] Tsuruga, Japan, Dec. 23 KYODO — Two minor sodium coolant leaks occurred in experimental devices during the development of the Monju prototype fast-breeder reactor, which has been shut down after a large amount of sodium coolant leaked early this month, informed sources said Saturday [23 December].

The Monju reactor, located in Tsuruga, Fukui prefecture on the Sea of Japan coast, is operated by the governmental Power Plant and Nuclear Fuel Development Corp. (Donen) and was developed at Donen's engineering center in Oarai, Ibaraki prefecture, northeast of Tokyo.

According to the sources, the first leak of some 200 milliliters occurred in April 1985 during an experiment to test the device's tolerance to drastic temperature changes.

The second leak, releasing some 100 milliliters of the coolant, occurred three years later at an experimental facility for the development of instruments to measure the flow speed of sodium in the cooling system.

Although the sodium remained within the insulation that covered the pipes and the sodium tank, white smoke was emitted from the reaction between sodium and air as seen in the Monju accident. Both devices had the same kind of stainless steel piping used in the fast-breeder reactor, the sources said.

Monju had to be shut down Dec. 8 after several tons of sodium leaked from the secondary cooling system, apparently from piping that had been welded during earlier repairs.

The center, while maintaining that the leaks with the experimental devices and the Monju accident "do not seem to be related," is studying the earlier incidents as part of its efforts to find the cause of the Dec. 8 leak.

Monju began generating electricity in August and was scheduled to start full operations in June next year. It was operating at 40 percent of capacity at the time of the accident.

Survey Shows 'Chronic' Welfare Funding Shortage

OW2512081895 Tokyo KYODO in English 0728 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Many of Japan's volunteer welfare organizations say they manage to supply a service but experience a chronic lack of funding for their own staff and administration, a nationwide survey of the organizations released Monday [25 December] shows.

The Japanese National Council of Social Welfare conducted the survey in March, contacting 1,000 organizations and receiving replies from 38.7 percent.

Council officials said the survey found that more than 60 percent of the organizations said they receive some form of help to carry out their welfare activities, but that only 20 or 30 percent are receiving assistance to cover their administrative, personnel, or other running expenses.

The officials called for a widening of the scope of assistance for the organizations.

Asked what bothers them most, 51 percent of the responding organizations said they cannot meet their personnel, office, and other expenses.

This was followed by 27 percent that said they are most troubled by a lack of leaders who can play a central role in the organizations and 23 percent that said their activities are not sufficiently appreciated or understood by related organizations or the community.

Asked what sort of assistance they would like to have, 51 percent cited money for their activities, while 46 percent said they want money for personnel expenses and 41 percent said they need funds to run their offices.

Details of Approved FY96 Budget Provided

OW2512081595 Tokyo KYODO in English 0725 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The government adopted a 75.1 trillion yen [Y] budget for fiscal 1996 on Monday [25 December], calling for issuing a record 21.03 trillion yen in government bonds that will further tighten Japan's already strained fiscal conditions.

The draft general account budget for the fiscal year beginning next April totals 75,104.9 billion yen, up 5.8 percent from the initial budget for fiscal 1995.

The draft budget, adopted at an extraordinary meeting of the cabinet of Prime Minister Tomiichi Murayama in the afternoon, will be submitted to the ordinary Diet session that starts in late January.

At a press conference after the meeting, Finance Minister Masayoshi Takemura said, "The government has compiled the fiscal 1996 budget, basically giving consideration to the Japanese economy which remains at a standstill."

"There is a wide gap between expenditures and tax revenues and how to remove it will be a task for budget compilation in fiscal 1997," he said.

To help shore up Japan's sluggish economy, the budget calls for relatively high growth of 4.0 percent in overall expenditures related to public works projects. The government will continue income and residential tax cuts for the third consecutive year.

Growth in general operating expenditures as a whole, however, will be limited to 2.4 percent, the second lowest growth since fiscal 1989.

General operating expenditures — general account spending minus such obligatory costs as national debt-servicing costs and tax grants to local governments — are used to cover government policy measures.

To make up for a huge revenue shortage stemming from a plunge in tax revenues during the prolonged economic slump, the budget calls for issuing a record 21,029 billion yen worth of government bonds, including 11,998 billion yen in deficit-financing bonds, also a record high.

Despite budget-streamlining efforts, the 5.8 percent rise in total budget size is the biggest in five years.

This reflects a sharp increase in national debt-servicing costs and the government's decision to use general account funds for the planned liquidation of moribund housing loan companies.

Under the fiscal 1996 budget, the government earmarks 1,145.2 billion yen for official development assistance, a major pillar of Japan's international contributions. But this represents the lowest growth ever at 3.5 percent.

The defense budget, the first under Japan's new medium-term defense guidelines aimed at compact but effective forces, will rise 2.58 percent to 4,845.5 billion yen, for the first increase of the growth rate in six years. The rise stems from increased payments for defense contracts concluded in the past.

Social security spending will rise 2.6 percent to 14,287.9 billion yen, placing emphasis on measures for the disabled and steps under the so-called "gold plan" for the promotion of health and welfare for senior citizens.

While increases in many spending items are limited to low levels, public works-related expenditures will rise 4.0 percent to 9,719.9 billion yen to help lift the sluggish economy.

The total includes projects to be implemented with the proceeds from sales of government-owned shares in Nippon Telegraph and Telephone Corp.

The budget earmarks 758.8 billion yen for science and technology, an exceptionally high growth of 10 percent, in a bid to promote restructuring of Japan's economy.

The budget allocates 685 billion yen to help cover losses stemming from the liquidation of housing loan companies which have huge bad loans. The government calls the allocation an emergency step to help stabilize the nation's financial system.

National debt-servicing costs, meanwhile, will rise as much as 23.9 percent to 16,375.2 billion, partly because the Finance Ministry will be forced to resume regular allocations from the general account to the national debt consolidation fund for the first time in four years.

The ministry suspended fixed-amount allocations to the special account, which was created to secure fiscal resources for the redemption of outstanding government bonds, from fiscal 1993 to fiscal 1995, in a bid to reduce the apparent growth of budgetary spending.

Since a huge amount of government bonds is in the pipeline for redemption, however, the ministry will disburse 3,479.7 billion yen to the national debt-servicing allocations.

Tax grants to local governments will increase 2.9 percent to 13,603.8 billion yen.

On the revenue side, meanwhile, fiscal 1996 tax revenues are estimated at 51,345 billion yen, down 2,386 billion yen from the estimate in the initial fiscal 1995 budget.

To bridge the gap between revenues and expenditures, the government will raise a total of 21,029 billion yen by issuing new government bonds, up sharply from 12,598 billion yen in the initial fiscal 1995 budget.

This will bring the ratio of government bonds to overall revenue from 17.7 percent in fiscal 1995 to a 16-year high of 28.0 percent in fiscal 1996 on an initial budget basis.

The outstanding balance of government bonds will come to some 240 trillion yen at the end of fiscal 1996, equivalent to as much as 49 percent of the nation's gross domestic product.

Business Leaders Welcome Budget

OW2512104895 Tokyo KYODO in English
1001 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The leaders of some Japanese economic and industrial bodies on Monday [25 December] welcomed the government's fiscal 1996 draft budget.

Shoichiro Toyoda, chairman of the powerful Federation of Economic Organizations (Keidanren), said he "appreciated" the decision to increase allocations for a survey on the relocation of administrative functions from Tokyo as it reflected the federation's request.

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said he welcomed appropriations for the development of new businesses and technologies.

The structural change of Japanese industry is an urgent task, he said.

Meanwhile, Jiro Ushio, chairman of the Japan Association of Corporate Executives (Keizai Doyukai), urged the government to drastically change the pattern of expenditures and distribution of funds for public works projects.

Takemura: Budget Represents 'Transitional Stage'

OW2412104795 Tokyo KYODO in English
1041 GMT 24 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 24 KYODO — Finance Minister Masayoshi Takemura said Sunday [24 December] the government-drafted fiscal 1996 budget, due out Monday, represents only a transitional stage for tackling the huge task of reconstructing state finances.

"The government has moved just half a step toward financial reconstruction," Takemura told the press after meeting with 18 state ministers who bargained to have their spending requests restored after they were rejected in the finance ministry's draft budget.

The cabinet of Prime Minister Tomiichi Murayama is due to decide on a government draft budget when it convenes Monday, with Diet deliberations on the draft scheduled for early next year.

The finance ministry's budget calls for spending around 75.1 trillion yen under the general account in the year beginning April 1, of which some 21 trillion yen will have to be financed with government bond issues — 12 trillion in deficit-covering bonds and 9 trillion yen in construction bonds.

Takemura stressed that while earmarking generously for public works projects to prop up the weak economy, the ministry was stern on the whole in evaluating individual budget items, proposing cutting the number of state bureaucrats by 2,108.

Still, given the great gap between revenue and expenditure, "the government still has a long way to go before financial reconstruction (is accomplished)," Takemura said.

Asked about the schedule for financial reconstruction, Takemura said, "although full-scale commitment will not come until the economy shows some bright signs, it is high time to begin various preparations and discussions on the issue."

Downplays Idea of Tax Hikes

OW2512081995 Tokyo KYODO in English 0802 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Finance Minister Masayoshi Takemura said Monday [25 December] that while it is necessary to reform Japan's fiscal system, that should not be immediately associated with the idea of a tax increase.

"Revenues and expenditures should be discussed as a package," Takemura said at a press conference held after the cabinet of Prime Minister Tomiichi Murayama endorsed a draft fiscal 1996 budget.

"Fiscal reform needs to be dealt with in wholesale debates from the standpoints of how the government should function and how the public-sector economy should relate to people's lives," Takemura said.

Under the draft fiscal 1996 budget, the government will spend a total of 75.1 trillion yen in the year beginning April 1, with general operation expenditures — the core spending category — totaling 43.1 trillion yen.

The budget calls for a third income and residential tax cut in as many years, a 4 percent rise in public works spending, and an allocation of 680 billion yen to help clean up the huge debts amassed by mortgage lenders.

"The government had to compile a budget addressing the economy, which is still at a precarious juncture after four years of stagnation," Takemura said.

However, to finance the budget, the government had to decide on the issuance of deficit-covering bonds totaling 12 trillion yen, of which 1.9 trillion yen worth will be used for tax cuts and will be compensated for with a future consumption tax hike.

Takemura said he hopes to come up with good ways to improve the current budget formulation system under which the Finance Ministry sets limits on spending items.

"Given the huge discrepancy of more than 10 trillion yen between revenues and expenditures, it is necessary to review the ceiling- based system," he said.

On the housing loan fiasco, Takemura conceded there were points that were "difficult to understand" in the process of drawing up a government scheme to dispose of problem loans using taxpayers' money.

"The government failed to map out an overview of the program before putting the plan under discussion," Takemura said. "It needs to disclose as much information as possible to win a final consensus on the program."

Further Reportage on Allocation of FY96 Budget

FTC Funding Rises

OW2312130895 Tokyo KYODO in English 1253 GMT 23 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 23 KYODO — The Finance Ministry [MOF] approved a Fair Trade Commission (FTC) request for a bigger budgetary appropriation for fiscal 1996, as needed to increase division investigators to crack down on illicit anticompetitive activities by business firms, officials said Saturday [23 December].

The FTC, the nation's anticartel referee, will add a total of 17 staff members, including the investigators, as a result of the budget increase, they said.

The move will mark the first organizational reinforcement of the FTC in 32 years.

With the funds, the watchdog will create a "special examination section" to investigate large-scale bid-rigging consultation events among corporate bidders for public works projects, they said.

The FTC will also establish an "economic transaction bureau."

The transaction section will be created within the bureau and will be entrusted with monitoring the transactions of business firms to curtail illicit activities, they said.

The FTC has been seeking ministry approval of the budgetary increase to enhance its ability to clamp down on anticompetitive activities by companies.

The United States has been asking Japan to grant greater authority to the FTC so that Japan can increase the transparency of the business activities of its companies and eliminate illicit anticompetitive business activities.

Cabinet Staff To Increase

OW2412131395 Tokyo KYODO in English 1259 GMT 24 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 24 KYODO — The Finance Ministry on Sunday [24 December] authorized plans to beef up Prime Minister Tomiichi

Murayama's cabinet staff under the fiscal 1996 national budget.

Under the plans approved after minister-level budget negotiations, the cabinet will have up to three senior advisers to help strengthen the administration's policy-making capabilities, cabinet officials said.

An information-gathering center will also be set up inside the cabinet to enhance crisis management in the wake of criticism that the Murayama administration did not act adequately in handling the killer earthquake that devastated Kobe and its environs in western Japan last January.

The staff of the cabinet Information Research Office will be increased by three people to keep a 24-hour watch on emergencies.

The plans also call for the status of the Deputy Chief Cabinet Secretary and the heads of five cabinet offices to be boosted, resulting in better pay for them.

Space Shuttle Program Funded

OW2412120795 Tokyo KYODO in English
1200 GMT 24 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 24 KYODO — The finance ministry agreed Sunday [24 December] to fund development of an experimental machine for Japan's 150 billion yen space shuttle project starting next year, government officials said.

The ministry authorized the science and technology agency to restore an 8.5 billion yen appropriation it had sought for the machine under the fiscal 1996 national budget.

The project, on which Japan has already spent 24 billion yen, calls for the experimental machine to be launched around 2000.

Based on the test, Japan plans to launch its own space shuttle "Hope" in 2003.

The agency has been allowed to undertake research on the project, but the ministry has refused to finance any program that will kick off actual development of the shuttle.

Earlier this month, an automatic landing machine developed by Kawasaki Heavy Industries Ltd. to collect shuttle flight data was raised by helicopter, brightening prospects for upgraded experiments to be conducted in Australia next spring.

MOF To Order External Audits of Banking Units

OW2312095695 Tokyo KYODO in English
0852 GMT 23 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 23 KYODO — The Ministry of finance (MOF) will soon require overseas branches of Japanese financial institutions to entrust outside accounting offices with the auditing of financial records to prevent such incidents as the trading loss cover-up scandal at Daiwa Bank's New York branch, ministry officials said Saturday [23 December].

Early next week, the ministry will unveil a package of newly compiled measures to enhance its supervision over the overseas branches of Japanese financial institutions, the officials said.

The ministry has also decided to create a special MOF team of bank examiners specializing in inspecting the financial books of such overseas branches, the officials said.

At present, the ministry does not have such a team but dispatches domestic bank examiners to the overseas bank branches.

Along with a planned increase in the number of MOF examiners for domestic financial institutions, the ministry will boost the current 400-member domestic team of examiners by 10 percent, or about 40 people, they said. The 400 examiners are now at the ministry's Tokyo headquarters and local prefectural offices.

It is not yet clear how many of the 40 will be assigned to the new team specializing in overseas branches of Japanese institutions.

The new team of examiners for overseas branches will be organized as a part of the financial examination section of the secretariat of the finance minister, the officials said.

The section will have the authority to recommend that the ministry's banking bureau order any institution whose overseas branches are found by the new team engaging in illicit activities to take remedial steps and submit plans for correcting their wrongs to the ministry, they said.

The new measures will require institutions to conduct annual internal checks on the quality of assets such as securities holdings, rather than the current system by which such checkups are required only once every three years, the officials said.

Financial institutions will be required to file reports on such checks to the ministry, they said.

The ministry will request the Federation of Bankers Associations of Japan to compile a set of voluntary rules to oblige member banks to alert authorities of any illicit activity, to prevent any recurrence of such incidents as the Daiwa Bank case, they said. Daiwa Bank has been charged with trying to cover up a 1.1 billion dollar bond-trading loss racked up by a trader at its New York branch.

In the United States, financial institutions are legally required to report to financial authorities concerning any illegal activity that takes place in their organizations, within 30 days of detecting such illegal activity.

The voluntary rules may be modeled after the U.S. official requirement, they said.

In mid-November, the ministry set up a three-member committee consisting of Yoji Wakui, director of the secretariat, Banking Bureau Director General Yoshimasa Nishimura and International Finance Bureau Director General Eisuke Sakakibara to sketch out a set of corrective measures following the Federal Reserve Board's order for Daiwa Bank's expulsion from the U.S.

Government Adopts Reform of Public Corporations

OW2512071795 Tokyo KYODO in English
0709 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Prime Minister Tomiichi Murayama's cabinet Monday [25 December] adopted a program on administrative reform that calls for scrapping or merging seven public corporations by the end of March 1997.

The seven concerns include Livestock Industry Promotion Corp. and the Japan Raw Silk and Sugar Price Stabilization Agency, both under the jurisdiction of the Ministry of Agriculture, Forestry and Fisheries.

The program comes in line with a pledge made by Murayama to streamline public corporations as part of administrative reform, a policy target given priority by Murayama.

The program also sets an April 1, 1997 deadline for the government to abolish the salt monopoly under Japan Tobacco Corp. and privatize a mutual fund for compensation of job-related injuries for firefighters.

It also stipulates that the cabinet's functions be strengthened with the introduction of up to three advisers to the prime minister so that the premier can receive vital information more quickly.

The program requires the government to take into account proposals by the Administrative Reform Committee, a government advisory body, in reviewing the current deregulation program by the end of next March.

Among other policy targets, the program calls for reducing the number of public servants even after the current retrenchment program expires at the end of March 1998.

It also points to the need to streamline the postal service, state forest business and national hospitals.

Prosecutors Reindict 2 in 'Giant' Loan Scandal

OW2512114095 Tokyo KYODO in English
1036 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Prosecutors reindicted the former head of the now-defunct Tokyo Kyowa Credit Association and the sister of detained former Labor Minister Toshio Yamaguchi on Monday [25 December] on charges of breach of trust in connection with a giant loan scandal.

Harunori Takahashi, 50, and Yoshie Yamaguchi, 60, were indicted on charges of arranging some 1.9 billion yen in illegal loans from the failed credit union for Yamaguchi's company.

The move brought to five the number of indictments against Takahashi, the central figure in the huge loan scandal that has rocked political and business circles in Japan over the last year.

Takahashi and Yamaguchi were earlier indicted for a similar illicit loan case involving another failed credit union, Anzen Credit Bank.

The two have already admitted they arranged the 1.9 billion yen collateral-free loans from Tokyo Kyowa to a golf course development firm run by Yamaguchi from June 1994 to December 1994, prosecution sources said.

With the new indictment, the total amount of illegal loans Takahashi is alleged to have arranged from the two credit unions reaches about 22.1 billion yen, the Tokyo District Public Prosecutors Office said.

Toshio Yamaguchi, who was arrested Dec. 6, is likely to be indicted on Wednesday on four charges — breach of trust, embezzlement, fraud and perjury, prosecution sources said.

The detention period for the 55-year-old independent member of the House of Representatives will expire Wednesday.

He was arrested on suspicion of breach of trust for having arranged 2.7 billion yen worth of illegal loans from the two failed credit unions for a company run by his sister.

Toshio Yamaguchi will also be charged with embezzling some 180 million yen from a foundation to which he had served as a director, the sources said. He allegedly used the money as collateral for loans to companies run by his relatives, they said.

He will also be indicted on charges of fraud to the tune of some 170 million yen from a university in Kumamoto Prefecture, southern Japan, in connection with a failed scheme to build a university in the United States, they said.

The politician will also be slapped with charges of perjury for his statements made to the Diet in June in connection with the loan scandal, the sources said.

The Diet filed an accusation of perjury with prosecutors against Yamaguchi Dec. 15 for giving false testimony before a lower house committee.

In the testimony, Yamaguchi denied any involvement in arranging illegal collateral-free loans from the two failed credit unions.

Yamaguchi denies he is guilty of breach of trust.

In a related development, tax authorities have discovered that three companies run by Yamaguchi's 52-year-old brother Katsuto Nemoto underreported incomes by at least 420 million yen, tax sources said Monday.

The Tokyo Regional Taxation Bureau has already instructed the companies to revise their tax reports, the sources said.

MOF Asks Housing Firms To Decide on Burdens

OW2512112195 Tokyo KYODO in English
1028 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The Finance Ministry [MOF] on Monday [25 December] urged the founding financial institutions of the seven moribund housing loan companies to decide how much each of them will shoulder in liquidating their bad loans.

Yoshimasa Nishimura, the ministry's banking bureau chief, met with executives of the founding institutions and made the request because the government gave approval to the budget draft for fiscal 1996, which includes fiscal funds worth 685 billion yen designed to make up for some of losses of the housing lenders.

At the next ordinary Diet session in early January, a special committee on the bad loan problem will be established, which will discuss the responsibilities of the housing loan firms, the founding banks and monetary authorities.

Zenchu To Cover Housing Losses by Mid-January

OW2312124595 Tokyo KYODO in English
1231 GMT 23 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 23 KYODO — The Central Union of Agricultural Cooperatives (Zenchu) vowed Saturday [23 December] to allocate to farm banks by mid-January 530 billion yen in losses stemming from forgiving part of the farm banks' credits to seven housing loan companies, government officials said.

Zenchu Chairman Hakaru Toyoda and other leaders of the umbrella organization for the nation's agricultural cooperatives made the pledge in a meeting with Agriculture, Forestry and Fisheries Minister Hosei Norota, they said.

The agreement came on the heels of the government's compilation of a financial scheme for liquidating more than 7.5 trillion yen in bad loans provided by the housing lenders to speculative property developers. The farm banks had lent heavily to the housing lenders.

Zenchu and affiliated farm banks, or prefectural credit associations known as "shinren," are facing public anger for their refusal to shoulder any further losses than the 530 billion yen, despite their financing of the housing lenders' speculative lending activities. The scheme will also use 685 billion yen in taxpayers' money as an initial outlay.

In a meeting with Norota, the Zenchu leaders also promised to speed up the streamlining of the national organizational hierarchy under which the single umbrella body controls some 50 prefectural credit associations that in turn control numerous local agricultural co-ops, they said.

Norota asked the Zenchu leaders to eliminate dozens of the prefectural credit associations supervising agricultural co-ops so that zenchu can directly control such co-ops.

Norota was quoted as saying, "Please push this issue resolutely in taking this opportunity to liquidate the housing lenders."

He conveyed the government's plan to submit bills, designed to facilitate the planned absorption of the prefectural credit associations by Norinchukin Bank, to an extraordinary Diet session in the fall of 1996 at the earliest.

Toyoda was quoted as replying, "We will speed up the streamlining."

Editorial Poses Questions to Norota on Bad Loans

OW2512093895 Tokyo NIHON KEIZAI SHIMBUN in Japanese 24 Dec 95 Morning Edition p 2

[Editorial: "Questions We Want To Ask Agriculture Minister Norota"]

[FBIS Translated Text] In response to our editorial entitled "Questions for Finance Minister Takemura" published in our 21 December edition on the issue of home loan companies (jusen), Finance Minister Masayoshi Takemura sent us his answers. We published the text of his answers on page 3 of our 23 December edition. We speak highly of Minister Takemura's prompt response to our questions on the settlement of bad loans involving home loan companies with which the people are strongly dissatisfied. We would like to take his prompt response as proof that the finance minister is tackling this issue in all seriousness.

To our regret, however, his answers will not convince people why 685 billion yen [Y] must be appropriated in the budget for FY96. In his answers, the finance minister repeatedly used such terms as "stabilization of the financial system," "the economic recovery," and "restoration of trust both at home and abroad." But the question still remains as to whether he really understands the most important issue — the pain of taxpayers.

With regard to the settlement of the jusen issue, it is said: "It is something like a case of crisis management: When a patient is brought into the emergency room, an emergency operation should be conducted first, and investigations into the background and causes should come later." However, if operations are conducted at random and an enormous amount of money is spent on operations without disclosing the actual situation about the disease, or where the responsibility lies, it certainly is more than people can bear.

In his answers, Takemura failed to mention any reason why the burden on agricultural financial institutions has been reduced by a large margin. This is the major point on which doubts cannot be dispelled. The agricultural financial institutions were originally asked to share a burden of Y1.1 trillion. But their burden has been reduced by half, to Y530 billion, and the financial fund will be used to make it up. Concerning this point, the finance minister merely stated: "The agriculture minister has frantically tried to work out the largest possible amount." We cannot understand at all what he meant by the largest possible amount.

In our 21 December editorial, we requested that all the details of the talks held between finance and agriculture ministers on 18 December should be disclosed. It was at these talks that the amount was decided. However, we got no answers. For Finance Minister Takemura to talk about agricultural financial institutions, he probably will have to pay some deference to Agriculture Minister Norota. In this connection, we would like to ask Agriculture Minister Norota the following questions:

1. Why is it that the share of the losses for agricultural financial institutions is set at Y530 billion? While the founding financial institutions are asked to completely abandon credits amounting to Y3.5 trillion, the general financial institutions have been asked to shoulder an amount of Y1.7 trillion. Yet, why is it that preferential treatment is given particularly to the agricultural financial institutions that have lent Y5.5 trillion to jusen? Many of our people feel that there must have been political pressure from Dietmen who represent the interests of the agriculture sector. Once again, we would like to request that all details about the talks held between the finance and agriculture ministers be made public.

2. How will the restructuring of agricultural financial institutions be promoted? The time has now come to work out schedules for drastic restructuring. The three-stage system made up of the Norin Chukin Bank, prefectural credit federations of agricultural cooperatives (known as shinren), and the basic-unit agricultural cooperatives, should be shifted to the two-stage system made up of the Norin Chukin Bank and basic-unit agricultural cooperatives. For those financial institutions without any capability of management, there is no other choice but to eliminate them.

3. Why is it that no measures are taken to pursue the responsibility of the agricultural financial institutions? It is necessary to strictly pursue the responsibility of the Finance Ministry, the Bank of Japan, and founding financial institutions as well as the borrowers. At the same time, managers of agricultural financial institutions that have brought about a huge amount of bad loans because of their failure in conducting thorough examinations should be asked to take a heavy responsibility. Unless the agriculture minister takes a resolute attitude, the people's distrust in the overall agricultural administration will become intensified.

Agriculture Minister Norota, we hope that you will answer our questions with responsibility.

MITI Proposes Protection of Digitized Data

OW2512140895 Tokyo YOMIURI SHIMBUN in Japanese 19 Dec 95 Morning Edition p 7

[FBIS Translated Text] On 18 December the Ministry of International Trade and Industry [MITI] issued a report proposing a new law to protect intellectual property rights for digitized information, such as computer software. The proposal was made by the "committee on intellectual property problems caused by digitization," which comprises scholars and operators of game software companies. While taking into account this proposal, MITI will study specific measures to protect rights over digitized information and for enacting legislation.

MITI's report says: 1) The copying and processing of information by an individual will not infringe on a copyright unless they are given to a third person; 2) the reuse of data obtained from a database should be restricted by law; and 3) discussions are necessary on encrypting information to avoid illegal copying and use.

MITI To 'Rectify' LPG Trading Practices

OW2512112495 Tokyo KYODO in English
1027 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The Ministry of International Trade and Industry [MITI] will try to rectify practices related to the trading of liquefied petroleum gas (LPG), ministry officials said Monday [25 December].

To answer consumer criticism that the LPG price system is unclear, the ministry is considering revising the law concerning the securing of safety and the optimization of transactions of liquefied petroleum gas.

When the ministry reviews the law, it plans to include penalties to prevent inappropriate trading practices from having adverse effects on consumers.

The move will be made because a subcommittee of the Petroleum Council, an advisory body to the international trade and industry minister, called for rectification of LPG transactions in its interim report issued Monday.

The report proposed that how LPG prices are calculated should be written on paper, which traders will issue when they sign contracts. The ownership of pipes and equipment in houses will also be made clear, the report also said.

The ministry will issue a ministerial ordinance to force traders to make clear on paper such things as prices and ownership of pipes and equipment.

To punish traders who do not issue such papers, the ministry will revise the law. A bill designed to revise the law will be presented before the next ordinary Diet session.

Five-Year Airport Program To Begin in FY96

OW2512071895 Tokyo KYODO in English
0711 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — The government on Monday [25 December] endorsed the Transport Ministry's five-year airport consolidation program which will entail total investment of 3.6 trillion yen, starting in fiscal 1996, ministry officials said.

They said the budgetary appropriations were incorporated in a draft budget for fiscal 1996.

A total of 141.4 billion yen will be disbursed as public works expenditures related to airport consolidation in the initial year, up 7.3 percent over the current year, they said.

In addition, they said 563 billion yen will be earmarked for the program from a special account for the airport consolidation program, up 2.7 percent over the current year.

The initial-year outlays will include 76.3 billion yen for the expansion of new Tokyo international airport at Narita, east of Tokyo.

An appropriation of 191.6 billion yen will be earmarked for the construction of new runways at Haneda International Airport in Tokyo, the officials said.

The new fiscal budget also will include 30.5 billion yen for the consolidation of two existing superexpress railways in northern Japan and construction of a new superexpress line in the southern main island of Kyushu, they said.

The government will provide 4.8 billion yen for the technological development of a linear motor railway and 14.7 billion yen for construction of local railways, the officials said.

Magnet Developed for VCR Motors, PC Drives

OW2512103995 Tokyo KYODO in English
0916 GMT 25 Dec 95

[FBIS Transcribed Text] Nagoya, Dec. 25 KYODO — Aichi Steel Works Ltd. said Monday [25 December] it has developed a new magnet for use in videocassette recorder (VCR) motors and computer hard disk drives (HDD) that is capable of providing 70 percent more energy than that of the most powerful conventional magnet.

The new magnet, "Magfine 17," is an anisotropic magnet made of the magnetic powders of neodymium and plastic. The new product provides energy at 17 mega gauss-oersteds (MGO) compared with 10 MGO provided by the most powerful conventional isotropic magnet, the company said.

The company will start marketing the product next month.

The new technology involves heating and consolidating the magnetic powders by taking advantage of the critical "moment" when melted plastic becomes liquid, an Aichi official said.

With the technology, Aichi steel has succeeded in arranging the all particles of Neodymium in the same direction, he said.

For the time being, the product will be integrated into VCR motors to move the magnetic heads of a VCR and magnetic sensors, it said.

Expectations are high that the new magnet will be integrated into the CD-ROMs and HDDs of notebook personal computers, he added.

Steel Output To Dip Below 100 Million Tons

OW2512104095 Tokyo KYODO in English
0924 GMT 25 Dec 95

[FBIS Transcribed Text] Tokyo, Dec. 25 KYODO — Japan's crude steel output in fiscal 1995 is projected to fall below 100 million tons for the first time in two years, the Ministry of International Trade and Industry said Monday [25 December].

In fiscal 1995, crude steel production is likely to reach 99.24 million tons, down 2.1 percent from the previous year, because output in the January-March quarter is expected to fall 9.2 percent to 23.2 million tons. Fiscal 1995 ends March 31, 1996.

According to the ministry, crude steel production is likely to hit 101.58 million tons in the 1995 calender year.

While the number of workdays will decline in the January-March quarter, the ministry said steelmakers will continue to be urged to adjust inventories, which piled up in the April-September period for reconstruction of Kobe and the vicinity hard hit by the Jan. 17 earthquake.

In the January-March quarter, the ministry projects domestic consumption of steel materials will drop 1.7 percent to 16.16 million tons.

North Korea

Groups on 'Irregularities' of Kim Yong-sam Regime

SK2812090595 Pyongyang KCNA in English
0839 GMT 28 Dec 95

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — The International Liaison Committee for Reunification and Peace in Korea, the International Committee of Jurists for Democracy and Human Rights in South Korea, the International Association of Democratic Lawyers and the North-South 21 published a joint communique on December 19 disclosing the irregularities and corruptness of traitor Kim Yong-sam.

The communique said that South Korea has disgraced itself before the world public with the successive irregularities and the "slush fund scandal" by its ruling quarters.

In South Korea groups of statesmen have been closely related with military and businesses, it noted, and said:

Today the South Korean "regime" is bribing press organs and American and other Western statesmen to embellish South Korean society and create a favourable condition for contracts with foreign businesses.

Feeling fear of crisis with the "parliamentary election" slated for April next year after the defeat in the June, 1995, "local elections", Kim Yong-sam has attempted to separate himself from the collusion with Chon Tu-hwan and No Tae-u, as a last resort to save the "civilian regime".

In South Korea the spearhead of repression is now being concentrated on those calling for national reunification based on the Pyongyang-proposed confederacy formula.

Kim Yong-sam has not set forth any detailed proposal for reunification but has been engaged in irregularities and corruptness, as a creation of the corrupted system which has reigned so far in South Korea.

A South Korean writer wrote, "Today South Korea has turned into a society in which a man is transformed into a wolf and only money is almighty. The South Korean society is ailing and being suffocated."

NDFSK Publishes 'Special Investigation Data'

SK2312094195 Pyongyang KCNA in English
0932 GMT 23 Dec 95

["NDFSK Central Committee Publishes People's Special Investigation Data" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 23 (KCNA) — The Central Committee of the National Democratic Front of South Korea (NDFSK) made public a people's special investigation data on December 20, which brings to light the seamy side of the "presidential election" fund of the traitor Kim Yong-sam, a hardcore point of the "slush fund scandal", the Seoul-based radio Voice of National Salvation reported.

Enraged at the perfunctory investigation of the crafty "civilian" dictatorship, the people from all walks of life reaffirmed that the investigation into the black money including the "presidential election" fund cannot be trusted to the prosecutor system, the data said, and noted: They made their own special investigation into the truth behind the black money Kim Yong-sam received from No Tae-u. According to an elementary investigation, the black money amounts to 935 billion won in all.

The three party merger which astonished the people, was a marriage of political strategy, a marriage of money, which was formed between No Tae-u, who sought a stable operation of state affairs of the ruling party, and Kim Yong-sam, who was preoccupied with power greed, on the U.S. script for a conservative coalition. In the course of this, Kim Yong-sam received black money of 150 billion won from No Tae-u as a "fund of encouraging the three party merger".

Yun Sok-chon, who was chief of Section No.1 attached to Chongwadae [presidential offices] during the "Sixth Republic", testified that he conveyed 20 billion won to Pak Chae-yun in Sangdo-tong on the order of President No in early May 1988 right after the April 26 general election. Requesting for a help in the settlement of the pending political affairs including the question of liquidating the "Fifth Republic" in October 1989, No Tae-u handed 30 billion won to Kim Yong-sam, said Choe Chang-yun, who was a senior secretary of political affairs at Chongwadae during the "Sixth Republic".

No Tae-u handed 100 billion won again to Kim Yong-sam in the name of "fund to arrange the Democratic Party" besides 50 billion won which was conveyed to Kim on the occasion of the three party merger, and Kim feathered his own nest with this 150 billion won and, at the same time, went to the same bedding with the military dictatorship by persuading those of his faction who opposed or wavered in the three party merger.

No's support to the "presidential election" fund of Kim began in October 1990, the data said, and disclosed the source of the "presidential election" fund of 520 billion won Kim received from No at that time.

The data continued:

At the time of the "case of leakage of the agreement on constitutional revision for parliamentary government" on October 25, 1990, Kim Yong-sam asked for the abandonment of the constitutional revision system, securement of the authority of the next-term president and support to the "presidential election" fund at a meeting with Kim Yun-hwan and then received 20 billion won from No Tae-u. No's support fund for Kim was conveyed in full swing after the 14th "general election". When the "Democratic Liberal Party [DLP]" was defeated at the March 24, 1992, "general election", No handed Kim Yong-sam 40 billion won, asking him to prevent power authority from falling in the remaining days.

Kim Yong-sam received 60 billion won from No Tae-u on the threshold of the May 19, 1992, "party congress for nominating the presidential candidate of the DLP".

No's declaration on the withdrawal from the "DLP" on September 18, 1992, was, in fact, a product of the "DLP's strategy of the presidential election" to convey much more "presidential election" fund to Kim. Kim received 300 billion won at No-Kim meetings on October 2 and several times later and 100 billion won in December.

Kim "was elected president" through money-backed and fraudulent "election" with the support of the "election" campaign fund of 520 billion won from No. Kim tried hard to obtain much more money from No after the "presidential election", so he received from No 60 billion won in the name of the "congratulatory fund for his presidential election", 200 billion won in the name of "fund for transfer of power" and 5 billion won in the name of the "fund to congratulate Kim Yong-sam on his move to Chongwadae".

According to elementary investigation data, the black money Kim received from No totalled 935 billion won. But this is only a tip of the iceberg.

No matter how cunningly and desperately the Kim Yong-sam group on a cliff may try to divert elsewhere the people's resentment, it can never cover its ugly colors.

Kim Yong-sam must immediately open to the public the seamy side of the "presidential election" fund in 1992 and step down from power as unanimously demanded by the people.

ROK's Kim Tae-chung Cited on 'Election Fund'

SK2512061595 Pyongyang KCNA in English
0533 GMT 25 Dec 95

["Kim Yong-sam Urged To Make Public 'Presidential Election' Fund" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 25 (KCNA) — Kim Tae-chung, president of the opposition National Congress for New Politics [NCNP], said at the inaugural meeting of the No. 1 district committee of the NCNP in Seoul on Friday [22 December] that traitor Kim Yong-sam is scheming to suppress the opposition parties under the pretext of the liquidation of irregularities, according to a radio report from Seoul.

If one is to set others to rights, one should establish one's innocence, he said, repeatedly urging the traitor to open to the public the seamy side of the "presidential election" fund at once.

Kim Yong-sam 'Regime' Denounced in South Korea

SK2312094895 Pyongyang KCNA in English
0939 GMT 23 Dec 95

[FBIS Transcribed Text] Pyongyang, December 23 (KCNA) — Voices denouncing the Kim Yong-sam "regime" are these days getting louder among different circles of South Korea with the "slush fund scandal" of the traitor No Tae-u as an occasion, according to radio Voice of National Salvation from Seoul.

A teacher Chong Kum-pok residing in Kangnam District, Seoul, said:

With the exposure of the world-startling extra-large illicit fortunes of No Tae-u, Kim Yong-sam's "civilian-veiled government" of thieves was put on a chopping board — judgment by people.

No matter how many times Kim Yong-sam may disguise himself and how gorgeously he may prettify himself, he can by no means conceal the true color of the corrupt "government" which was built with the rotten money piled up by the dictator and the bastard of the dictatorship of the "Fifth and Sixth Republics."

Pak Yong-son, a resident in Taejon, said:

Our people will make a thorough probe into the dirty color of Kim Yong-sam and bring him, an accomplice of the May 18 incident and "secret fund scandal", before the court of history so as to pass a stern judgment upon him.

Pak Kyo-un, an old man residing in Seoul, composed words of the song "Let Us Exterminate Three Generations of Kim Yong-sam's Family", representing the resentment of the people.

The words of the song call for exterminating the three generations of Kim Yong-sam's family by punishing Kim Yong-sam, a kingpin of thieves who refuses to confess the "presidential election" fund amounting to two trillion won, Son Myong-sun, queen of the thieves, and Kim Hyon-chol, prince of the thieves.

Yi Su-chol living in Pusan had this to say:

The press media must become the eye and mouth of the people.

To this end, they must lay bare with the pen of justice all dastardly irregularities and swindles of the "civilian-veiled government" of thieves which is linked with No Tae-u and put Kim Yong-sam before the court of history.

ROK Journalist Urges Overthrow of Kim Yong-sam

SK2812061395 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 23 Dec 95

[FBIS Translated Text] According to a report of the Voice of National Salvation from Seoul, Kim Chol-yong, a journalist living in Yongdungpo-ku, Seoul, called for the overthrow of the corrupt Kim Yong-sam regime pertaining to traitor No Tae-u's slush fund scandal and for ending the U.S. colonial rule.

He emphasized that with the exposure of No Tae-u's slush fund scandal, the true color of the legitimacy of the civilian government, which Kim Yong-sam loudly advocated in the past, is clearly shown.

He said: From the outset, our people have never recognized the legitimacy of the civilian government which the Kim Yong-sam group loudly talked about. However, viewing the No Tae-u's slush fund scandal, we think there certainly is legitimacy in the Kim Yong-sam regime. This legitimacy is a famous, perfect, and total one. In other words, the Kim Yong-sam group thoroughly succeeded in the character of corruption and irregularities of the preceding South Korean regimes, as well as their inherent fascist dictatorship and nation-selling flunkeyist nature.

It is a shame for me to say that the successive South Korean rulers are, all in all, the boss of burglars who indiscriminately oppressed the people by abusing their absolute power, and committed all types of irregularities.

However, Kim Yong-sam took over such irregularities and corruption perpetrated by successive rulers without omitting even one. Nay, he even far surpasses his predecessors in terms of cunningness and their scale.

Kim Yong-sam put forward more splendid words than any others about politics without using money, making a society filled with justness, and the like. It is indeed a shame for me to speak about how Kim Yong-sam forged filthy monetary relations with No Tae-u; how much of the slush fund he received from No Tae-u, and what astronomical amount of the secret fund of the civilian regime he accumulated in collusion with large business group owners.

He pointed out that the South Korean journalists criticize that Kim Yong-sam, who ranked seventh on the list of the richest people in South Korea in the past, today has emerged as the first.

He said: The political climate in South Korea is so severely corrupt today that its rectification is practically impossible. This is totally because the ruling circles are, all in all, larcenous who could be seen only in premodern ages. This is also the reason that our people have been repressed and plundered under the shade of dictatorship for over a half century.

For us to rectify our society where fascism and corruption and irregularities are rampant and to establish a genuine democratic society where justice is achieved, we must overthrow the corrupt Kim Yong-sam regime and end the U.S. colonial rule, the hotbed of dictatorship and corruption and irregularities.

Paper Views ROK 'Presidential Election' Fund

SK2512061795 Pyongyang KCNA in English 0537 GMT 25 Dec 95

[FBIS Transcribed Text] Pyongyang, December 25 (KCNA) — NODONG SINMUN today comments on the results of the people's special investigation into the "presidential election" campaign fund of the traitor Kim Yong-sam, which were published by the Central Committee of the National Democratic Front of South Korea on December 20.

The analyst says:

The investigation results prove Kim Yong-sam received nearly 1,000 billion won of secret fund from No Tae-u.

This being the stark fact, Kim Yong-sam denies that he received secret funds from No Tae-u. This is a poor effort, however.

At the first hearing on the slush fund scandal at the puppet Seoul District Court some days ago, No Tae-u declined to make a true statement on the 1992 "presidential election" campaign fund. This shows that though the prosecution detained him and investigated his scandal, it was a premeditated drama staged on the orders of Kim Yong-sam and that the "mid-term investigation results" published by the prosecution were a product of perfunctory investigation.

No Tae-u's statement at the first hearing meant that he could not open to the public the "presidential election" fund because of pressure from Kim Yong-sam.

With his involvement in the slush fund scandal brought to light, Kim Yong-sam is trying hard to find a way out, but it is a futile attempt.

Kwangju 'Murderers' To Be Judged by History

SK2312130895 Pyongyang KCNA in English 0917 GMT 23 Dec 95

[FBIS Transcribed Text] Pyongyang, December 23 (KCNA) — The South Korean paper TONG-A ILBO warned that the Kim Yong-sam regime will be brought before the court of severe judgment by history in case it continues covering the murderers of Kwangju citizens despite of public circles' unanimous opposition.

The paper said:

The "December 12 incident" was, no doubt, a sanguinary coup d'etat from the viewpoint of having taken power over Kwangju bloodbath. This crime of violating the democratic order should have been condemned, but Kim Yong-sam has overtly and covertly patronized and backed the rebel forces, which increases treason against the people.

The "December 12 coup d'etat" and the May 18 incident should be thoroughly probed. Covering the crimes of the criminals who caused the "December 12 coup d'etat" of disgrace and the Kwangju incident is an insult to the just and noble struggle of democratic figures and citizens for democracy.

Pomminnyon: South Koreans Urge Reunification

SK2612063995 Pyongyang KCNA in English 0614 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The South Side Headquarters of the National Alliance for the Country's Reunification (Pomminnyon) issued articles titled "Let Us Defend Pomminnyon, the Centripetal Point of the Great National Union, To Achieve National Reunification at Any Cost", "Let Us Drive Out the Kim Yong-sam 'Regime' Attempting To Create Security-Oriented Politics and Suppressing the Popular Movement" and so on to call upon the South Korean people of all strata to denounce the South Korean authorities' fascist crackdown on Pomminnyon and turn out in the struggle to bring earlier national reunification.

The articles denounced the crackdown on Pomminnyon as a foul attempt of the Kim Yong-sam "regime", driven into a crisis with the approach of "general election", to suppress political opponents, the national democratic movement in particular.

Noting that the fellow countrymen have defended Pomminnyon, substance of the great unity of the nation, with only desire for national reunification, the articles called for defending Pomminnyon with concerted efforts to achieve national reunification.

Pomminnyon Decries Treatment of ROK Counterpart

SK2612141495 Pyongyang KCNA in English 0927 GMT 26 Dec 95

["S. Korean Puppet Clique's Crackdown Under Fire" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The Joint Secretariat of the National Alliance for the Country's Reunification (Pomminnyon) published a statement on December 21 in denunciation of the South Korean puppet clique's brutal crackdown upon the South side headquarters of Pomminnyon.

The statement reads in part:

The puppet clique left the illegally arrested hardcore members of the South side headquarters of Pomminnyon to the tender mercy of the puppet public prosecutor, on the charge of violating the "National Security Law."

Worse still, the puppet clique is running amuck to launch one more smear campaign with the groundless argument that they were engrossed in "espionage activities".

The fascist violence is a very vicious political smear campaign aimed at diverting elsewhere the attention of the people and public opinion calling for a probe into the truth behind the May 18 Kwangju massacre, the punishment of those responsible for it, opening to the public of the 1992 "presidential election" fund and genuine democratic reform and independent reunification and at bridging over the crisis facing the "government".

It is the habitual method of the "Agency for National Security Planning", a man-hunting and plot-breeding machine, to rig up a shocking incident with "progressive reunification movement forces and overseas Koreans labelled as "spies" whenever the "government" is driven into tight corner. [quotation marks as received]

If the Kim Yong-sam "government" has the face to continue fascist suppression of Pomminnyon, a nationwide non-governmental reunification movement organization, by inventing a fiction of "spy case" and describing the organisation as "an enemy-benefiting one", it will invite protest and denunciation from all the people at home and abroad and precipitate its self-destruction.

We strongly urge the Kim Yong-sam "government" to put an immediate halt to the smear campaign against and fascist suppression of the Pomminnyon South side headquarters and unconditionally and immediately release the illegally arrested leading personnel of the organisation.

Urges Release of ROK Members

SK2812113995 Pyongyang KCNA in English 1015 GMT 28 Dec 95

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — An extraordinary meeting of the Central Committee of the North side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) took place here today.

Discussed at the meeting was a task to invigorate the struggle for the release of the arrested members of the South side headquarters of Pomminnyon and other South Korean patriotic champions of reunification.

Kim Yong-ho, vice-chairman of the North side headquarters of Pomminnyon and vice-chairman of the Central Committee of the Korean Social Democratic Party, delivered a report, which was followed by speeches.

The reporter and speakers accused the South Korean rulers of having raided the office of the South side headquarters of Pomminnyon, seized furniture and documents and arrested leading members on the charge of the violation of the "national security law" at a time when all the fellow countrymen at home and abroad were making a grand march towards the reunification of the country.

They said the traitor Kim Yong-sam's suppression is part of the foolish attempt to put down South Korean public demand for reunification by confederation, get rid of Pomminnyon and other civilian movement for reunification and evade the people's call for a thorough investigation into the slush fund scandal in South Korea and the punishment of those involved in the may 18 Kwangju massacre.

The Kim Yong-sam group must clearly see the trend of the time, scrap the "national security law," an anti-national, anti- reunification fascist law, and immediately release the arrested members of South side headquarters of Pomminnyon and all other patriotic champions of reunification, they urged.

An appeal to the compatriots in South Korea and abroad was adopted at the meeting.

The appeal says the release of the arrested pro-reunification patriots is an urgent issue vital to the movement of Pomminnyon and, at the same time, a serious issue decisive of the future of all the reunification movements in South Korea and abroad. It calls on all the compatriots at home and abroad to join in the struggle for an immediate release of the arrested activists.

ROK Urged To Repatriate 'Unconverted' Prisoners

SK2712035895 Pyongyang KCNA in English 0323 GMT 27 Dec 95

[FBIS Transcribed Text] Pyongyang, December 27 (KCNA) — The Korean Measure Committee for the Rescue of Unconverted Long-Term Prisoners in South Korea published its information on December 26 regarding the powerful struggle for the repatriation of old Kim In- so, Kim Yong-tae and Ham Se-hwan, unconverted long-term prisoners, to the northern half of Korea this year.

According to the information, Kim In-so, Kim Yong-tae and Ham Se- hwan at press conferences and in appeals and letters exposed the inhumane and unethical deeds of the South Korean authorities in keeping them in South

Korea for more than 40 years and called upon the broad public, press and religious circles of South Korea and honest-minded people of the world to render an active cooperation for their repatriation.

Kwon O-hon, co-chairman of the Family Movement for Realising Democracy in South Korea, strongly urged the authorities to repatriate them at once and the human rights committee of the Kwangju Christian Federation and many persons related to human rights in South Korea conducted a nation-wide signature campaign for their repatriation, calling upon the people from all walks of life to join in it.

Family members and relatives of Kim In-so, Kim Yong-tae and Ham Se-hwan, when they met with delegations of South Korea and with foreign newsmen, requested them to conduct an extensive international movement for their repatriation and sent letters to the U.N. secretary-general and others, calling for taking measures for their repatriation.

Meanwhile, rallies, statements and letters demanding the repatriation of the unconverted long-term prisoners were held or adopted in Japan, Italy, Guyana and other countries.

To send Kim In-so, Kim Yong-tae and Ham Se-hwan, unconverted long-term prisoners, back to their native places is a matter of common concern of all the entire fellow countrymen in the North, the South and overseas and international public circles, the information says, and stresses:

The South Korean authorities must stop the criminal acts of blocking their repatriation at once and take an immediate measure to send them back to their birthplaces.

Japanese Group Urges Early Normalization of Ties

SK2612141295 Pyongyang KCNA in English 0928 GMT 26 Dec 95

[FBIS Transcribed Text] Tokyo, December 24 (KNS-KCNA) — Representatives of the Japanese Women's Society for Friendship With Korean Women called at the Japanese prime minister's residence on Dec. 19 to demand an early normalization of the Japan-DPRK diplomatic relations.

They handed the chief cabinet secretary a letter of request addressed to the Japanese prime minister, which was adopted at the National Conference of the Japanese Women's Society for Friendship With Korean Women on December 1-2. They demanded that the Japanese Government strive to resume the Japan-DPRK talks for normalization of the Japan-DPRK diplomatic relations from an independent stand.

Home-Visiting Group of Koreans in Japan Arrives

SK2612113595 Pyongyang KCNA in English 0711 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The 253rd short-term home-visiting group of Koreans in Japan arrived in Wonsan on Sunday by the ship "Mangyongbong-92" for a visit to the socialist homeland.

Chongnyon Groups Send Letters to Kim Chong-il

SK2612064695 Pyongyang KCNA in English 0618 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The great leader Marshal Kim Chong-il received letters and a message from organizations under the General Association of Korean residents in Japan (Chongnyon).

The participants in the 23rd regular meeting of the Federation of Korean Buddhists in Japan and the 14th meeting of the west Japan headquarters of the Association of Korean Social Scientists in Japan said in their letter and message that they discussed and decided on measures to implement the decisions of the 17th general meeting of Chongnyon and expressed their determination to wage a vigorous struggle to achieve reunification by means of confederation under the banner of the 18-point programme on the great unity of the whole nation and defend the democratic national rights of Koreans in Japan.

The participants in a meeting marking the 40th anniversary of Kumgangsan opera troupe noted in their letter that they have contributed to uniting many compatriots around Chongnyon through over 6,000 performances in different parts of Japan and expressed their determination to glorify the features of the overseas art troupe on the Republic.

The participants in a meeting for merging Choson Sinbo with Kuwol Sambang publishing house said in their letter that they would develop the press report work of Chongnyon onto a new high stage.

The letters and message wholeheartedly wished Marshal Kim Chong-il good health and long life.

Kim Chong-il Receives Flowers From Cambodia

SK2812040195 Pyongyang KCNA in English 0256 GMT 28 Dec 95

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — The great leader Comrade Kim Chong-il on December 19 received a floral basket from Rolf Hagel, chairman of the Communist Party of Sweden, on the New Year 1996.

Rolf Hagel handed the floral basket to the DPRK ambassador to Sweden.

He hoped that the New Year 1996 would be a year when a great success would be made in the work of Comrade Kim Chong-il for peace and social development, socialism and the reunification of Korea.

The Ministry of Foreign Affairs and International Cooperation of Cambodia sent a floral basket to the DPRK Embassy in Phnom Penh on December 21 on the occasion of the fourth anniversary of the election of Comrade Kim Chong-il as supreme commander of the Korean People's Army.

The chief of protocol of the Ministry of Foreign Affairs and International Cooperation of Cambodia handed the floral basket, and stressed that the Korean People's Army would always be invincible under the tested leadership of His Excellency Marshal Kim Chong-il, the supreme leader of the party, the state and the Army of Korea.

Photo Exhibit, Film Show Mark Korea-Cuba Ties

SK2712043495 Pyongyang KCNA in English
0311 GMT 27 Dec 95

[FBIS Transcribed Text] Pyongyang, December 27 (KCNA) — A photo exhibition and a film show took place here on Tuesday under the sponsorship of the Committee for Cultural Relations With Foreign Countries and the Korea-Cuba solidarity committee to mark the 37th anniversary of the victory in the Cuban revolution.

Invited there were Cuban Ambassador to Korea Jose Ramon Rodriguez Varona and his embassy officials.

The participants saw pictures showing achievements of the Cuban people in the revolution and construction and appreciated a Cuban documentary film.

Nigerian Minister Arrives in Pyongyang 26 Dec

SK2612141195 Pyongyang KCNA in English
0953 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — Special envoy of the head of state of Nigeria Alhaji Muhamad a Gambo, [name as received] minister of agriculture and natural resources, and his party arrived here today.

They were greeted at the airport by Yi Chol-pong, minister of city management, and Olugbenga Ayodeji Ashiru, Nigerian ambassador to Korea.

The DPRK Government arranged a party for them in the evening.

WPK Greets Council of Communist Party of India

SK2612141095 Pyongyang KCNA in English
0931 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The Central Committee of the Workers' Party of Korea today sent a message of greetings to the National Council of the Communist Party of India [CPI] on its 70th anniversary. The message noted that the CPI has been loyal to the cause of independence of the country and the freedom and liberation of the people over the past 70 years since its foundation.

The message extended firm support and solidarity to the CPI in the just activities against imperialism and for peace and socialism.

The message expressed the belief that the traditional bonds of friendship between the two parties forged on the road to the common aim and ideal will continue to strengthen and develop and sincerely wished the CPI a new victory and advance in the future struggle to strengthen the party and realise independent rights and interest of the broad sections of working people of India.

Article Observes National Day of Nepal

SK2812090895 Pyongyang KCNA in English
0835 GMT 28 Dec 95

["National Day of Nepal Observed" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — MINJU CHOSON today dedicates a by-lined article to the national day of the Kingdom of Nepal.

The government and people of Nepal have been registering great achievements in the economy, culture and all other spheres of social life, through their dynamic efforts to build an independent, new society, the paper notes, and says:

In external relations the Nepalese Government is developing friendship and cooperation with different countries on the principles of independence, equality, mutual respect and non- interference in other's internal affairs.

The Korean people are rejoiced over the achievements made by the Nepalese people in building a new society.

Korea and Nepal, as members of the Nonaligned Movement, have established and developed friendly and cooperative relations.

The Korean people are convinced that the bonds of friendship between Korea and Nepal will develop on good terms in the future, too.

They hope that the Nepalese people will consolidate their achievements and make a greater success in their endeavours to build an independent and prosperous, new society.

Exhibition, Film Show Held at Embassy in PRC

SK2612112995 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 22 Dec 95

[FBIS Translated Text] A photo exhibition and a film show were held on 13 and 15 December at the DPRK Embassy in the PRC on the occasion of the fourth anniversary of the election of the great leader [yongdoja] Comrade Kim Chong-il as the supreme commander of the Korean People's Army [KPA].

The pictures of the great leader [suryong] Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il giving on-the-spot guidance to the various sectors of the people's economy were displayed at the photo exhibition; and the pictures showing the results achieved by our people in socialist construction were exhibited.

The functionaries of the PRC Ministry of Foreign Trade and Economic Cooperation and various companies, and college professors in Beijing were on hand.

At the film show, our country's film, entitled "The 50th Anniversary of the Founding of the Heroic KPA," was shown.

Military Attaches Send Letter to Kim Chong-il

SK2712022495 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 22 Dec 95

[FBIS Translated Text] The great leader of our party and our people Comrade Kim Chong-il received a congratulatory letter from the military attaches' corps stationed in our country on the fourth anniversary of his election as supreme commander of the Korean People's Army [KPA].

The congratulatory letter to Comrade Kim Chong-il was delivered to Comrade Choe Kwang, minister of the People's Armed Forces, by Tran Thuc, military attache of the Vietnamese Embassy and head of the military attaches' corps, on 22 December.

At the meeting, the head of the military attaches' corps said: On the occasion of the 4th anniversary of the election of Comrade Kim Chong-il, the dear leader of the Korean people and marshal of the DPRK, as KPA supreme commander, we military attaches send the warmest congratulation and warm greetings to him. Under the wise leadership of General Kim Chong-il, the heroic KPA have been strengthened and developed into the powerful modern Armed Forces defending the Korean gains of socialism and ensuring the peaceful conditions for the creative labor of the people. We are firmly convinced that under his wise leadership, the Korean people and People's Army will be victorious in the just struggle to defend the country from the enemy's aggressive maneuvers and to achieve the country's reunification. We wish Marshal Kim Chong-il, the dear leader of the Korean people and the KPA supreme commander, a long life and a new success in the sacred work for socialist construction and for strengthening the country's national defense.

Public Security Office on Loyalty to Kim Chong-il

SK2712021895 Pyongyang Korean Central Broadcasting Network in Korean 1000 GMT 24 Dec 95

[FBIS Translated Excerpt] A pledge meeting by servicemen of the Ministry of Public Security was held on the spot on the morning of 24 December to offer single-hearted loyalty to the great leader [yongdoja] Comrade Kim Chong-il on the occasion of the fourth anniversary of the respected and beloved general's election as the supreme commander of the Korean People's Army [KPA].

Respectfully placed at the forefront of the meeting site were the portrait banner of the great leader Comrade Kim Il-song and the portrait banner of the great leader [yongdoja] Comrade Kim Chong-il. Also placed at the meeting site were the slogans, "Long Live the Great Leader Comrade Kim Il-song" and "Long Live the Glorious Workers Party of Korea [WPK]."

Responsible functionaries and servicemen of the Ministry of Public Security, including Comrade Paek Haknim, KPA vice marshal, attended the meeting.

At the meeting, all participants echoed the pledge of loyalty read by Choe Mun-tok, director of the Political Bureau of the Ministry of Public Security.

[Begin Choe Mun-tok recording] A pledge to the respected and beloved Supreme Commander General Kim Chong-il: [Participants repeat last few words of Choe's remarks].

On the occasion of the fourth anniversary of the election of the great leader [yongdoja] General Kim Chong-il, the ever-victorious, iron-willed commander and the distinguished general of the world, as the supreme commander of our revolutionary armed forces we, all the public security functionaries, solemnly vow to be singleheartedly loyal to the respected and beloved comrade supreme commander with invariable faith and iron-like will. [Participants echo remarks].

We will become the fortress and shield safeguarding and defending the respected and beloved comrade supreme commander politically, ideologically, and with our life, while cherishing in our hearts the honor of upholding Comrade Kim Chong-il, the great leader [yongdoja] of the revolution, as the supreme commander. [Participants echo remarks]

We will become loyalists and dutiful children who devote our lives to the respected and beloved Supreme Commander General Kim Chong-il, jumping into water or fire without hesitation. [Participants echo remarks]

We will absolutely respect the respected and beloved Supreme Commander Comrade Kim Chong-il and will follow only the general's ideology and leadership. [Participants echo remarks]

We will thoroughly implement in a timely manner, the respected and beloved Supreme Commander General Kim Chong-il's statement, order, and directive, without the slightest degree of faltering under the principles of absoluteness and unconditionality. [Participants echo remarks]

We will strengthen our revolutionary party life by following the noble example of the fatherly leader's and the respected and beloved comrade supreme commander's party life. We will constantly make ourselves revolutionary and assimilate ourselves into the working class through studies and practice. Thus, we will outstandingly perform our revolutionary duty and repay the great general's lofty political trust and consideration with loyalty. [participants echo remarks] [applause and shouting of slogans] [end recording] [passage omitted on the song and dance performance held after the meeting]

Meetings in Other Nations Honor Kim Chong-il

SK2612141595 Pyongyang KCNA in English
0706 GMT 26 Dec 95

["Fourth Anniversary of Election of Comrade Kim Chong-il as Supreme Commander of KPA Celebrated Abroad" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — The fourth anniversary of the election of the great leader Comrade Kim Chong-il as supreme commander of the Korean People's Army [KPA] was celebrated in different countries.

A meeting was sponsored by the Russian Association for Friendship and Cultural Cooperation With the DPRK in Moscow on December 20.

Speakers at the meeting said that the election of Comrade Kim Chong-il as supreme commander of the KPA is a historical event not only for the DPRK and the Korean people but also for the revolutionary people of the world fighting for socialism.

They noted that Comrade Kim Chong-il made an outstanding contribution to modelling the whole Army on the chuche idea and modernising it and kept the traditional traits of Army-people unity in full bloom.

A congratulatory letter to Comrade Kim Chong-il was adopted at the meeting.

T.B. Mukherjee, president of the Asian Regional Institute of the Chuche Idea (ARIJI), said in a lecture at the University of Delhi in India sponsored by the ARIJI on December 14 that the election of Comrade Kim Chong-il as supreme commander of the KPA is a historical event which provided a decisive guarantee for defending and accomplishing the socialist cause of His Excellency the Great Leader Kim Il-song.

Meetings, photo exhibitions, film shows and other colourful functions were held by the Socialist Party of Romania, the Bangladesh-Korea Friendship Association, the cultural centre in Cairo, Egypt and at the Barracks of Alpha Yaya Special Unit in Conakry, Guinea and the Puebla Journalists Federation of Mexcio.

Meeting Marks Kim Chong-il's Letter to Writers

SK2712045695 Pyongyang KCNA in English
0410 GMT 27 Dec 95

[FBIS Transcribed Text] Pyongyang, December 27 (KCNA) — A meeting was held here Tuesday five years since the great leader Comrade Kim Chong-il sent an autograph letter to the entire writers.

Comrade Kim Chong-il received a letter from the poets of the Korean writing company and sent a meaningful reply letter to them on December 27, 1990, in which he expressed the hope that they would become an eternal companion, a faithful helper and a good advisor of the Workers' Party of Korea [WPK] in its building and activities.

Contained in the reply letter are the warm love and deep trust of the great leader President Kim Il-song and respected Comrade Kim Chong-il, who have brought up the writers and other intellectuals to be reliable members of the independent driving force of the revolution, attaching great significance to their role in the revolution and construction since the Korean revolution was started.

Addressing the meeting, Kim Pyong-hun, chairman of the Central Committee of the Korean Writers Union, said that over the past five years under the paternal love and solicitude and the wise leadership of the WPK, the ideological and mental traits of the writers have been renewed and a new change brought about in the building of chuche literature. As a result, our literature has developed into literature in which respected General Kim Chong-il's ideology and intention are embodied thoroughly, he added.

The reporter stressed that the entire writers should arm themselves more firmly with the revolutionary idea of President Kim Il-song, invariably believe in and follow only general Kim Chong-il in any adversity and strictly prepare themselves to be a companion of our party, with the rockfirm faith that there will be no motherland nor people's eternal life without the party and the leader.

A letter to Comrade Kim Chong-il was read out at the meeting.

Chang Chol Praises Kim Chong-il Work on Seniors

*SK2712112695 Pyongyang KCNA in English
0733 GMT 27 Dec 95*

[FBIS Transcribed Text] Pyongyang, December 27 (KCNA) — The Korean people, upon receiving "Respecting Seniors in the Revolution Is a Noble Moral Obligation of Revolutionaries", a famous work of the Great Leader Comrade Kim Chong-il, are hardening their determination to deeply study the idea and theory laid down in the work and thoroughly implement them.

An anti-Japanese revolutionary fighter Kim Ik-hyon said:

This work of respected General Kim Chong-il is a great historic declaration of the unshakable faith and will of our party and the unanimous aspirations and desire of our people to accomplish the revolutionary cause of chuche, holding the great Comrade Kim Il-song in high esteem as the eternal leader of our party and revolution, the father of the nation and the sun of chuche for all ages, and a monumental document indicating the great platform of establishing a communistic morality.

We will always bear deep in our minds the great trust of respected General Kim Chong-il, who praises the anti-Japanese revolutionary fighters as the first seniors in our revolution and paragons of revolutionaries, bring up our posterity to be true sons and daughters of the fatherly leader Comrade Kim Il-song and General Kim Chong-il and remain loyal to the idea and leadership of General Kim Chong-il.

Vice-Premier of the Administration Council and Minister of Culture and Art Chang Chol had this to say:

The work of the great general is an immortal one which all true persons as well as revolutionaries should avidly study and adore, sympathising with genuine morality and ethics.

Our officials, creators and artistes in the domain of literature and art will create more monumental masterpieces of the times, keeping tight hold on the historic work of the respected general as an ideological weapon.

Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea, said:

The work is a bright torchlight and a great inspiring banner which provided great delight and deep pride, iron faith and will once again to our youths and children, who are resolutely fighting to accomplish the revolutionary cause started by the Great Leader Comrade Kim Il-song under the leadership of the party.

We will take it as a basic duty of the League of Socialist Working Youth of Korea to successfully conduct the educational work to bring up eight million youths and children to be heirs of the revolution who are staunch politically and ideologically and have noble morality and traits.

General of the Korean People's Army Hong Tae-hwan said:

I feel more deeply the political and ideological, spiritual and moral advantages of the anthropocentric socialism of our style, upon receiving the famous work of the Great Leader Comrade Kim Chong-il.

Our officers and men of the People's Army will in the future, too, venerate the fatherly leader Comrade Kim Il-song with loyalty and keep their moral obligation to the seniors in the revolution under the leadership of the great General Kim Chong-il and thus more powerfully demonstrate the political and ideological, spiritual and moral strength of our socialism centred on the popular masses.

Editorial Lauds Kim Chong-il's Work on Seniors

*SK2812081095 Pyongyang KCNA in English
0802 GMT 28 Dec 95*

["MINJU CHOSON Calls for Striving for Victory of Socialist Cause With Noble Moral Obligation" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — MINJU CHOSON today comes out with an editorial stressing that the tasks laid down in "Respecting Seniors in the Revolution Is a Noble Moral Obligation of Revolutionaries", a famous work of the great leader Comrade Kim Chong-il, are a highly important guideline which all the officials and working people should hold fast to at present, and the way of accomplishing the cause of socialism lies in implementing them to the letter.

The editorial says that it is a work which can be published only by respected Comrade Kim Chong-il, the supreme paragon of communistic moral obligation, and an immortal encyclopedia of communistic morality which opened up a new path in training people into true ones and which comprehensively indicates laws and principles for the accomplishment of the socialist cause.

It further says:

Our revolution is still in a complicated and acute situation and we are faced with an honorable yet heavy task to accomplish the revolutionary cause of chuche generation after generation, upholding the red flag of the revolution raised by the forerunners of the revolution.

If we are to accomplish generation after generation the cause of chuche the cause of socialism, started and advanced by the seniors in the revolution at the cost of their blood, we should thoroughly implement the tasks laid down in "Respecting Seniors in the Revolution Is a Noble Moral Obligation of Revolutionaries", a famous work of Comrade Kim Chong-il.

What is important in implementing the tasks of the work is to defend, carry forward and develop the revolutionary tradition created by the preceding generations of the revolution and intensify education in communistic morality among the officials and working people.

All the officials and working people should turn out as one man in the work to implement the tasks laid down in the work of Comrade Kim Chong-il. By doing so, they should more thoroughly establish the communistic morality all over society, inherit and develop the proud history and traditions of our revolution adorned with revolutionary comradeship and noble moral obligation and thus make positive contributions to successfully accomplishing the socialist cause, which has triumphantly advanced under the banner of the chuche idea.

Pak Song-chol, Choe Kwang Honor Kim Chong-suk

SK2512143495 Pyongyang KCNA in English
1012 GMT 25 Dec 95

[FBIS Transcribed Text] Pyongyang, December 25 (KCNA) — Pak Song-chol, Choe Kwang and other senior party and state officials, working people, People's Army soldiers, school youth and students Sunday laid wreaths before the bust of Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, at the Revolutionary Martyrs Cemetery on Mt. Taesong, on her 78th birth anniversary.

Lying before the bust was a wreath from the great leader of our party and our people Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army [KPA].

Wreaths, bouquets and flowers were laid before the bust in the name of the Central Committee of the WPK, the Central People's Committee and the Administration Council [AC] of the DPRK, all the anti-Japanese revolutionary fighters, the Ministry of the People's Armed Forces, the Ministry of Public Security, KPA units, AC commissions and ministries, the joint organisation of the Korean Children's Union, public organisations, national state organs, institutions of science, education, culture and art, public health and the press, party and power bodies and administrative and economic organs, factories, enterprises, cooperative farms in Pyongyang.

Also on Sunday, broad sections of working people, People's Army soldiers and school youths and children in Pyongyang laid wreaths, bouquets and flowers before the bust.

Overseas Koreans staying in the socialist homeland, chief Yi Chong-sang and members of the Pyongyang mission of the National Democratic Front of South Korea visited the cemetery to lay wreaths and bouquets before the bust of Comrade Kim Chong-suk.

Wreaths, bouquets and flowers were laid before the statues of Comrade Kim Chong-suk in Hoeryong City, North Hamgyong Province, and Kim Chong-suk County, Yanggang Province.

Kim Il-song Work on Establishing Chuche Viewed

SK2812084195 Pyongyang KCNA in English
0830 GMT 28 Dec 95

["Comrade Kim Il-song's Wise Leadership of Revolution and Construction Under Banner of Chuche" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — Papers here today dedicate signed articles to the 40th anniversary of the publication of the great leader Comrade Kim Il-song's famous work "On Eliminating Dogmatism and Formalism and Establishing Chuche in Ideological Work" (December 28, 1955).

The work comprehensively contains the theoretical and practical matters arising in vigorously pushing forward the revolution and construction under the banner of the chuche idea including the essence of chuche in the ideological work of our party, subordination of ideological work to the interests of the Korean revolution and thorough establishment of chuche in all spheres of politics, the economy, culture and military affairs.

The great leader President Kim Il-song said:

"What is chuche in our party's ideological work? What are we doing? We are not engaged in any other country's revolution, but solely in the Korean revolution. This, the Korean revolution, determines the essence of chuche in the ideological work of our party. Therefore, all ideological work must be subordinated to the interests of the Korean revolution".

An article of NODONG SINMUN notes that thanks to the wise leadership of the great leader, vigorous efforts have been made to establish chuche in all domains of the revolution and construction and a rich and powerful socialist state, independent, self- sufficient and self-reliant in national defence has been built in Korea.

Elaborating on the wise leadership of the great leader to establish chuche, the article says:

We must do ideological work to meet our people's desire and requirement and not in any other country's way, and must see a picture and sing a song from a stand based on the sentiments of our people. This was the creed of the great leader.

Our party has intensified the education in the chuche idea as well as party policies, revolutionary traditions and socialist patriotism among the party members and other working people under the wise leadership of the great leader to establish chuche in ideological work.

As a result, the historically rooted flunkeyism and dogmatism have been overcome in our country and our people firmly armed with the revolutionary idea of our party and independent ideas.

The wise leadership of the great leader to thoroughly establish chuche can be found in the fact that he firmly maintained the line of independence in politics, self-sufficiency in the economy and self-reliance in national defence, in the revolution and construction.

Under his wise leadership, our party and people resolutely rejected all the interference and pressure from outside forces, analyzed and judged all things in the interest of the revolution, not affected by any established theories and formulas, and advanced the complex and arduous Korean revolution to victory by themselves according to their faith and determination.

The great leader's line of independence has enabled our party and people to defend and exalt Korean style socialism free from the influence of all manner of opportunism including modern revisionism, though socialism has collapsed in some countries.

'Great Successes' in Economic Construction Lauded

SK2612235095 Pyongyang KCNA in English
0914 GMT 26 Dec 95

[FBIS Transcribed Text] Pyongyang, December 26 (KCNA) — Korea has witnessed great successes in socialist economic construction this year.

The great leader Comrade Kim Chong-il sent the following autograph letter to the entire people greeting the new year 1995:

"We saw 1994 out in bitter tears and see the new year in.

"Let us all courageously work with a single heart to make our country and motherland more prosperous as soldiers and disciples of the great leader Comrade Kim Il-song."

The autograph letter was very instrumental in encouraging the people to the honorable and worthwhile work for greater prosperity and development of their country and their motherland.

This year the Korean people have worked hard in hearty response to the autograph letter and the calls of the Central Committee of the Workers' Party of Korea [WPK] for greeting the 50th WPK anniversary with a high degree of political enthusiasm and great achievements in labour. Proud successes have been gained in socialist economic construction, which add lustre to the Workers' Party Korea. Grand monumental edifices of eternal value were erected up in a matter of one year, for example, the monument to party foundation, Chongnyu Bridge and Kumnung Tunnel No. 2, the Pyongyang-Hyangsan tourist highway and the Cholsan lockgate. A large number of industrial establishments were built, put into operation and rebuilt on an expansion basis on the 50th WPK anniversary.

The Haeju January 10 machine factory has been streamlined for the production of equipment and accessories needed for mines and the Unsan power saw factory, the Nagwon exports fishery station, the Kangson Chollima export garment factory, the Pyongwon export garment factory, the Aeguk magnet factory, the Koryo Sindoksan spring water joint venture factory and other production units were commissioned.

A new pit and a coal sorting ground were built at the Nipsok coal mine and the first stage project of laying a long-distance belt conveyor line in a pit of the Yongdung coal mine was finished.

New production systems have been put into operation at the September 21 smeltery, the Pukchang thermal power complex, the Chondong mine, the Sunchon spinning mill, the Songyo garment factory and other factories and enterprises.

The Songjung mine has been equipped with all production processes, including pits, an ore dropping chute, a transport line by electric cars, ore crushing and dressing plants, a smelting place and a tailings handling place. It, has turned into a giant non-ferrous metal producer.

Projects of electrification of Hoeryong-Haksong and Kuhyon-Inpo railway lines have been completed.

Many industrial establishments have manufactured new products and equipment this year.

The Yongsong associated machinery bureau succeeded in manufacturing a 100 cubic metre screw compressor of new type. The April 3 general factory and the Huichon general machine tool plant turned out uptodate machine tools and the Sungni general motor works and the Kum Song general tractor works manufactured 500 hp [horsepower] diesel engines for a large lorry and new-type trucks and 40 hp tractors.

The May 10 general factory and the Hoeryong coal mine machine factory produced highly efficient excavating equipment, the Kim Chong-tae general electric locomotive works made modern electric locomotives and passenger cars and the Nampo shipbuilding complex built a 3,750 ton fishing boat.

The Taean heavy machine complex made a set of large generating equipment in a short period.

Greater efforts were directed to the modernisation of production processes.

In the recent 8 months some 20 light industry factories were equipped with more than 1,000 machines of about 120 kinds made with their own efforts, and efforts were made to widely introduce the latest scientific and technical results. Production processes of some 100 local industrial factories were streamlined.

The telephone network was switched over to a new system so as to guarantee promptness, accuracy and security of telecommunications.

Greater efforts were directed to the automation and computerization of production processes at iron and steel works, and many machine-building factories and enterprises.

Dailies on Staggered Production, Conservation

SK2712042995

[FBIS Editorial Report] Pyongyang NODONG SINMUN in Korean on page four of its 4 November 1995 edition, reports on power conservation achieved through staggered production in Chagang province, at Pyongyang textile machine plant and Kyongsong county power distribution station.

Introducing achievements in the power conservation struggle of Chagang province, an 800-word news report by reporter Ho Il-hun notes that "the party members and working people of Chagang province are vigorously carrying out the power conservation struggle as a mass movement." The news report reports that the province has recently saved "several millions of kilowatt-hours" through the mass movement. Reporting on staggered production being organized at plants, enterprises, and all other units in the province, the news report says that the responsible functionaries of the province are "scientifically establishing staggered production schedules according to the particular situation" of individual plants and enterprises and universalizing the experience of model units in organizing staggered production.

Reporter Yi Kyong-hwa, in an 800-word news report, introduces Pyongyang textile machine plant's struggle to save electricity. The reporter says that the plant has saved about 100,000 kilowatt-hours this year and notes that "production has been increased and per-item power consumption has been reduced at the plant by ensuring that every unit is fully loaded and operated when power is supplied in accordance with the staggered production schedule."

A 600-word news report by an anonymous reporter reports on Kyongsong county power distribution station which is struggling to prevent "leakage loss" from power distribution lines and which is adhering to the task of ensuring the effective utilization of electricity at all units to which power is supplied. The news report says that Kyongsong county power distribution station saves "100,000 kilowatt-hours" every month and adds that "functionaries and workers of the power management work team and all other work units of the station are going to work sites to help properly organize staggered production at the time when the power consumption reaches a peak." The news report also reports that "they, along with functionaries of the units concerned, ensured the most effective consumption of the supplied electricity by working out specific measures to prevent the machines from being turned on without being loaded and by helping the repair and maintenance of power facilities."

Pyongyang MINJU CHOSON in Korean in its 11 November 1995 edition carries the following front-page news reports on power conservation achieved at Songyo district administrative and economic committee and at Sohung county power distribution station:

An 800-word news report by an anonymous reporter reports on "Songyo district administrative and economic committee which is adhering to and is vigorously carrying out the administrative and economic organizational work aimed at increasing the amount of power conservation according to the development of reality and based on the particular situations of individual units." The report says that "responsible functionaries of the committee, in concerted effort with functionaries responsible for power supply, are adhering to the organizational work in order for staggered production schedules to be established in a scientific and logical manner based on the particular situation of the district and these schedules can be strictly adhered to." Introducing the case of Pyongyang textile machine plant, the news report reports that "all work shops and work teams of the plant have increased the per-hour production rate and reduced per-item power consumption by ensuring that units are fully loaded and operated when power is supplied, in accordance with the staggered production schedule."

A 600-word news report by an anonymous reporter reports on Sohung county power distribution station which has saved "500,000-odd kilowatt-hours in a mere one month period in the month of October by adequately organizing staggered production." The news report says that Sohung county power distribution station is appropriately solving the "tense electricity problem" by conducting power supply and management work in a scientific manner. The news report adds that "the station, by establishing correct power consumption quotas according to the directions in which power is supplied and according to the situations of individual plants and enterprises and by organizing staggered production appropriately, is ensuring that production is stabilized even if power supply is insufficient."

20% Increase in Coal Production in Dec Reported

SK2812091895 Pyongyang KCNA in English
0832 GMT 28 Dec 95

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — Coal production has been on the increase in Korea.

According to sources of the Ministry of Coal Industry, coal production has increased 20 percent in the latest twenty days above the same period of last month.

In those days the Kaechon and Sunchon Area Coal Complexes have gained 5 percent increase every day as against the corresponding period of November by increasing the efficiency of the mining equipment and improving the organization of manpower.

In the same period, coal output has been 30 percent higher than the same period of the previous month at the Pongchon and Songnam Youth Coal Mines, while nearly 20,000 more tons of coal were turned out at the February 8 Chikdong Youth Coal Mine and more than 7,000 more tons at the Chonsong Youth Coal Mine.

The North Hwanghae Provincial Area United Sapropelic Coal Mine has increased coal production 100 percent, the capital tunnelling 70 percent and preparatory tunnelling 80 percent in those days as against the same period of last month.

Farm Flood Victims Move to New 'Modern' Houses

SK2512030495 Pyongyang Korean Central Broadcasting Network in Korean
0100 GMT 24 Dec 95

[FBIS Translated Text] Amid the continued joy of the people who suffered great damage during the flooding last summer, in moving to new modern houses under our party's wise leadership and warm care instead of old houses they lost, another happy event was held in Sajik cooperative farm in Sinuiju on 20 December to celebrate their moving to the new houses.

The new houses are built in 20 two-story buildings and accommodate 80 households. They have many nice living rooms, storage rooms, and warehouses to facilitate the living of farm workers.

The farm workers could hardly repress their thanks and sense of admiration for the great leader [yongdoja] Comrade Kim Chong-il who always directed great interest to the people in flood-stricken areas to see if their lives were even slightly uncomfortable, and who again extended joy by having them move to new houses.

The farm workers filled the new houses, which contain the respected general's great care and reflect the party's warm benevolence, with household property and furniture, thus setting up new households. They unanimously said that thanks to the great leader Comrade Kim Chong-il's benevolence, the disaster turned into a blessing. They were overflowing with firm revolutionary determination to render loyalty and filial piety to him generation after generation and to repay his love and benevolence by reaping bumper harvests every year.

'Optimistic Life' of Disabled Soldiers Viewed

SK2812090195 Pyongyang KCNA in English 0845 GMT 28 Dec 95

[FBIS Transcribed Text] Pyongyang, December 28 (KCNA) — Disabled soldiers enjoy a worthwhile life in the Democratic People's Republic of Korea where all the people live in a great harmonious family.

The Tongnim Sanatorium for Disabled Soldiers in North Pyongan Province in the northwestern part of the country fully shows the optimistic life of disabled soldiers.

The sanatorium has a history of 45 years.

It houses those who took part in the fatherland liberation war and officers and soldiers who were wounded in accidents while defending the country from the U.S. imperialists after the war.

The state provides them with all living conditions.

Some of the disabled soldiers are confined to bed, paralyzed all over their bodies, and some others are blind. But they do not live in sorrow and grief.

Though they got discharged from service, they are living in the spirit with which they served the army.

This faith of theirs is fully reflected in their collection of literary works "Song From the Bottom of My Heart."

Cho Chip-chung, in his lyric "What I Talk With My Heart," which the great leader Comrade Kim Chong-il read, said what he talks with his heart is that he wants to remain a soldier to serve the beloved homeland and to lessen the disaster of the country.

An Pyong-ok, a disabled woman soldier who voluntarily joined the Korean People's Army [KPA] in South Korea during the war, wrote a poem based on her life, "The Way to My Hometown." In the poem she said she is living and working to move up the day when she will go back to her hometown near River Nakdong, always remembering the fact that the great leader President Kim Il-song visited the sanatorium and asked her where she came from.

Yi Yong-ho is a disabled soldier of special class. He got burns all over his body but he was brought back to life thanks to the deep care of the Workers' Party of Korea. Always feeling grateful to the party, he wrote more than 500 poems and words of songs and read them out at major construction sites over the past ten years.

In recent years, disabled soldiers of the rest home have toured Pyongyang and local areas and visited units of the KPA several hundred times and conducted activities inspiring working people and soldiers with their songs, poems and tales.

Their activities mirroring their experience in a simple way have deeply moved working people and soldiers.

Their performances have fully demonstrated their intense loyalty to the party and the leader, ardent love for the homeland, hatred against the enemy and devotion for the people.

South Korea

U.S., Russian Airborne Warning Systems Studied

SK2712032195 Seoul THE KOREA TIMES in English 27 Dec 95 p 3

[Report by staff reporter O Yong-chin]

[FBIS Transcribed Text] South Korea is considering the airborne warning system of both the United States and Russia for future purchases to be made by 2001 under its mid-term military buildup plan to upgrade military intelligence gathering capabilities.

A Defense Ministry official said yesterday that the two countries have developed and produced systems that enable one to keep a close and extensive tab on enemy military movements from the air.

"It has yet to be decided whose system we will purchase so not only the United States' system but also the Russian one will be up for consideration," he said, adding that a review is due before the selection is made.

The United States offers various types of the sophisticated air surveillance systems that include the Airborne Warning & Control System (AWACS) installed aboard Boeing 767 aircraft and the Airborne Early Warning (AEW) system that comes with the C-130 cargo aircraft.

The larger AWACS set costs 500 billion won apiece, while the smaller AEW system set is in the range from 100 billion won to 300 billion won.

He said that top priority will be given to prices and suitability to the Korean military when a choice is made.

It is said that Russian systems are cheaper but the American types fit more in terms of inter-operability with other weapons systems of the Korean military.

However, the official didn't say what types of Russian airborne early warning systems are under consideration and how much they would cost.

The Defense Ministry recently announced its 1997-2001 mid-term military buildup plan, the crown jewel of which includes purchasing the early warning system.

With the disclosure of its plan, the ministry added that the system is pivotal to wean itself from its heavy dependence on the United States for its military intelligence.

About 80 percent of intelligence the Korean military acquires comes from the United States.

In connection with Korea's planned purchase of the airborne early warning systems, a USFK [U.S. Forces in Korea] spokesman said, "We have not yet received a formal request for a Foreign Military Sales- Program purchase of this equipment." However, he said that the U.S. Air Force has been working with the ministry for some time on providing this equipment for Korea.

He said, "There are several systems available which could meet the needs of the Korean military. We will be glad to work with the Korean Defense Ministry in selecting and fielding the equipment.

Sources: North Asks 7 Nations To Provide Rice

SK2812021695 Seoul YONHAP in English
0155 GMT 28 Dec 95

[FBIS Transcribed Text] Bangkok, Dec. 28 (YONHAP) — North Korea has asked seven nations to provide more than 3 million tons of rice, diplomatic sources here said Thursday.

The reclusive communist state has made such requests to the United States, Japan, China, Thailand, Vietnam, Taiwan and Egypt to provide rice for the North Korean people on long-term, low-interest loans or in countertrade deals, according to the sources.

Some nations, particularly Thailand, are less willing to talk about government-level deals in view of the unavailableness of substantive repayment guarantees despite their recognition of the need to offer humanitarian aids through the United Nations or international relief organizations, sources said.

Pyongyang sent a written request to the Thai agricultural minister last October asking for 500,000 tons of rice, but Bangkok has negatively reacted since North Korea has been in arrears with its payment for the 100,000-ton rice shipment made in 1993-1994.

The sources said Yi Song-nok, chairman of North Korea's Committee for Promotion of International Trade, has asked Taiwan for 800,000 tons of rice, Thailand for 500,000 tons and Egypt for another 500,000 tons. Pyongyang has also requested 400,000 tons from the United States and 500,000 tons from China, they said.

The sources did not disclose how much rice North Korea asked for from Vietnam, the world's third biggest rice-exporting country.

KNRC Decides To Ship Relief Goods to DPRK

SK2812080195 Seoul YONHAP in English
0738 GMT 28 Dec 95

[FBIS Transcribed Text] Seoul, Dec. 28 (YONHAP) — The Korean National Red Cross (KNRC) has decided to ship a third batch of relief goods to North Korean flood victims in early January.

A KNRC official said Thursday that his agency has used donations from religious and civic organizations to purchase 100 million won (130,000 U.S. dollars) worth of relief goods including 2,000 blankets, 100,000 servings of instant noodles.

The goods will be delivered directly to the flood victims by International Federation of Red Cross relief workers currently in North Korea, the official said.

The source added that the KNRC has already sent 5,000 blankets to the North's port of Nampo on Nov. 23 and 3,000 on Dec. 9.

Seoul's View of North Food Situation Analyzed

SK2812120895 Seoul CHOSON ILBO in Korean
28 Dec 95 p 5

[Article by Kim Yon-kwang: "The Government's View of North Korea's Food Crisis"]

[FBIS Summary] Our government believes North Korea has secured enough food to hold out at least until July or August 1996. Song Yong-tae, vice minister of the Ministry of National Unification, stated on 27 December: "North Korea's food shortage has been extremely exaggerated."

Comparing its grain yield for 1994 with its estimated grain consumption for 1995, North Korea will be short 2.6 million tonnes of grain this year. However, taking into consideration the successful nationwide movement to reduce grain consumption and the amount of rice imported, the "absolute shortage" for 1995 will be 507,000 tonnes. Since 3.5 million tonnes of grain was apparently harvested in North Korea this year, North Korea is considered to have secured enough grain to feed its people for the next seven months. In light of some "reserved rice" it possesses in addition to this, North Korea "has considerable time to spare." Kim Il-song directed establishing a food reserve for six months, while the Food and Agriculture Organization recommends each country reserve food for two months. Based on such data, government authorities "do not greatly trust" reports by the International Red Cross and foreign media concerning North Korea's food crisis.

North Korea reported that it suffered $15 billion in flood damage and 1.9 million tonnes of grain loss, but ROK and U.S. intelligence organs feel the North has suffered $1 billion in flood damage and 220,000 tonnes of grain loss. However, some observers have "a more pessimistic view." In any case, the North Korean authorities should make efforts to import 1 to 1.5 million tonnes of rice early next year. North Korea began to suffer food problems in 1994 when the PRC suspended its annual provision of 1 million tonnes of grain to North Korea.

A National Unification Ministry official said: "North Korea has a strategy to solve its food problems with food aid from Western countries, raising its food problem as a humanitarian issue." The official added: "International Red Cross officials who visited North Korea to survey flood-stricken areas worried about North Korea's food crisis, saying 'hundreds of thousands of people were faced with starvation,' but adding 'the nutritive condition of North Korean residents was not bad.' We must pay attention to this."

Based on its recognition of these circumstances, "the government expressed its position that it will decide later whether it will provide additional food aid to North Korea while watching changes in North Korea's attitude." Looking displeased, Vice Minister Song said: "Why did the United States provide only $200,000 in relief money to North Korea while simultaneously spreading information that North Korea is suffering from very serious flood damage and that the North Korean system is faced with ruin because of a food crisis?"

Under the current situation, it appears the "fierce psychological warfare between the ROK Government, which plans to link its support for North Korea with the improvement in South-North relations, and the United States is unavoidable" during the forthcoming ROK-U.S.- Japan high-level strategic meeting to take place in Honolulu.

Within the government, some feel that the supply of fertilizers and agricultural chemicals, and farming on commission, should be promoted in lieu of providing rice aid in order to help North Korea solve its food problems. Yi Ho, a Ministry of National Unification analyst on the North Korean economy, said: "Linking rice aid to North Korea to its agricultural reform and with the opening up of its economy would help North Korea."

Article Urges Extending 'Helping Hand' to North

SK2812114295 Seoul THE KOREA TIMES in English 28 Dec 95 p 3

[Article by city editor Pak Mu-chong: "Helping North Koreans for Happy New Year"]

[FBIS Transcribed Text] Once again it is the time to see the old year out and the New Year in, and people are busy with the final work of what was an eventful year and planning for what they hope will be a better one.

Looking forward to a peaceful New Year with no national disasters or scandals like the Sampung Department Store collapse or the No Tae-u slush fund, citizens are bidding farewell to the outgoing year rather calmly.

But one thing still makes them feel ill at ease: the famine in the northern half of the nation.

Famine, in fact, has been a thing that takes place in regions like Africa as far as Koreans are concerned.

But reports have it now that millions of North Koreans are going hungry and rations have been already cut off in many regions.

Officials from the United Nations reported that the situation will certainly get worse unless international aid is provided quickly.

Other reports have it that unusual North Korean military movements are taking place near the Demilitarized Zone, although military leaders here see no direct signs of any immediate armed provocation against the South.

According to intelligence analyses, the military movements are suspected to have something to do with the serious situation in the North. The leaders there are reportedly seeking to strengthen their grip on inhabitants, who may touch off commotions due to the food shortages.

A U.S. department of defense report said that the North Korean military is taking the role of a police force and the recent military exercises are aimed at preventing possible food riots and inhabitants escaping from the country.

The crisis was allegedly sparked by floods last summer that destroyed the rice crop, affecting directly nearly 700,000 people.

However, the food shortage is now being felt by the entire country of 20 million people.

Adding insult to injury is the biting cold, particularly in the northern region where the food situation is deteriorating day by day.

Intelligence sources say that there is not enough fuel, not just for vehicles, but also for heating.

The UN officials say that if more aid does not arrive very soon, things can only get worse.

While virtually all residents are going hungry with many of them even deserting their homes in search of food, soldiers are said to be rationed sufficiently.

Government sources well versed in North Korean affairs suspect that the North Korean authorities did not distribute the relief rice offered by South Korea but are keeping it for military use.

No one would be willing to offer further aid to such people. Their insolence is compounded by their intensified slander of the South and refusal of any dialogue.

As a result, the government has maintained the position that there will be no additional relief rice aid unless there are basic Northern changes.

But the ever-deteriorating catastrophic situation has forced South Korea, the United States and Japan to consider providing rice to the North in the period of spring poverty called in Korean "chungunggi" when farmers in the past used to run out of grains in spring after only barely surviving the winter.

Additional aid is apparently being considered based on the judgment that the food shortage in the North may become serious enough to threaten the existence of the current North Korean system.

The North Koreans' abrupt sending Tuesday of five fishermen from the "86 Usong-ho" they kidnapped in May and had detained for seven months to the South must represent a friendly request to international society for immediate aid.

The North Korean Workers' Party officially asked the Japanese coalition ruling party for additional rice aid recently. It also asked for rice in June and October this year.

People say that nothing is more painful than hunger and no one knows what hunger is unless he or she has experienced it.

While going hungry has been a useful way to lose weight for young women wishing to be slim in the South, their sisters in the North are getting slimmer against their will.

Hunger does not have to be linked to politics. They are our northern brethren who are starving.

Separately from international politics, a helping hand should be extended to the North Koreans who are being deprived of a basic need and are freezing in the biting cold.

The Red Cross may be a good window, and civilian aid may contribute to melting the frozen minds of the North Koreans.

Offering aid through civilian or religious organizations will help to thaw the current icy South-North relations at government level.

Around this time of the year, campaigns are launched, without exception, to help needy neighbors, although this year people appear to be somewhat disinclined to participate in the wake of the sensational money scandals involving the former presidents.

But now is the time to help the starving Koreans in the North. Later may be too late. Happy New Year.

DPRK Situation, Additional Rice Aid Viewed

SK2812060695 Seoul THE KOREA TIMES in English 28 Dec 95 p 6

[Editorial: "Aid for North Korea"]

[FBIS Transcribed Text] The situation in North Korea is uncertain. No doubt, the military maneuvering and food shortage there is ominous. But at the same time the meaning of these developments is unclear, so it is only natural that assessments of them differ according to the nationalities and identities of the analysts involved.

As a whole, our major allies, the United States and Japan, tend to regard the North Korean situation as serious and unusual, if not dangerous, but the Seoul government is taking a rather light-hearted attitude toward them. Anyhow, there is a consensus that extraordinary attention needs to be paid to future developments in the Stalinist state in the North.

Hence, it is appropriate that Seoul, Tokyo and Washington are scheduled to hold high-level policy consultations next month in Honolulu, Hawaii, to review the seriousness of the food shortage and the military movements.

Of course, a joint strategy by Seoul's allies will be necessary to cope with the North Korean situation. Otherwise, it is possible that Pyongyang's hardline leadership may miscalculate and seek to provoke the South. The allies, as a matter of fact, are apprehensive of the increasing military influence in the North, the tightening of the military's grip on power and its assuming of more police functions.

Such developments are construed as an attempt to stifle growing discontent among the people over the food shortage that has the potential to unleash massive riots and other forms of civil protest. In this volatile situation, the United States and Japan have suggested additional rice aid to the impoverished state.

It is estimated that the North needs 2.5 million tons more rice than it has to feed its population this winter. The shortfall is expected to mount to about 3.5 million tons by next June. Because of that, some expect a massive exodus of hungry North Koreans into China and other neighboring countries.

The calls for more shipments of rice to the North are undeniably based on humanitarian considerations but there also are some political motivations for the U.S. and Japanese initiatives on additional food aid. Such aid may better serve their national interests or strategies more than it does Seoul's. It must be pointed out here that Pyongyang has not reciprocated the South's provision of 150,000 tons of rice aid but instead has increased its slander and taken a series of hostile actions against the Seoul government.

Under the circumstances, it is natural and understandable that the Seoul government is reluctant to offer more rice and other aid to the disaffected Pyongyang regime.

At this juncture, it is appropriate that special attention is being paid to Pyongyang's abrupt release of the five surviving crewmen and the cremated bodies of three dead crew members of a South Korean fishing boat. The return of the crew came despite Pyongyang's threats to take legal action against them for their alleged violations of North Korean domestic law.

The North Korean return of the detained crew certainly was a friendly gesture toward the rival South but the way in which it returned them can hardly be appreciated. Pyongyang refused to consult with Seoul on their repatriation and merely unilaterally notified the South they were returning through radio broadcasts and U.N. liaison officers at Panmunjom.

This indicates that there has been no change in the North Korean refusal to seek dialogue or reconciliation with the South Korean authorities, at the same time as it sends friendly signals to Washington and Tokyo. Obviously, its underlying aim is to get the U.S. and Japan to provide more food aid.

However, the North Korean plight seems likely to become explosive, if it is left unattended, with the possibility of unexpected consequences for the South and its neighbors. This is forcing Seoul to take some action to improve the situation in consultations with its two allies.

The Seoul government may well keep a close watch on future North Korean moves following the release of the South Korean fishermen. Before Seoul suggests any definite measures, Pyongyang will be obliged to implement conditions that include at least the opening of official channels for inter-Korean contacts and a halt to its malicious propaganda against the Seoul government. Hopefully in parallel, Pyongyang will take such steps of removing or relocating its fighters, bombers and other military equipment further from the armistice line.

As far as humanitarian assistance to our North Korean compatriots is concerned, South Korea should act first before any other country. At the same time, it is important that the resumption of rice aid, if it takes place, should be based on national consensus. The government's wayward rice aid sparked widespread popular criticism last time.

Delay in LWR-Related Equipment to North Noted

SK2812081295 Seoul YONHAP in English 0705 GMT 28 Dec 95

[FBIS Transcribed Text] Seoul, Dec. 28 (YONHAP) — The shipment to North Korea of equipment to be used for the construction of light-water reactors (LWRs) there is expected to be delayed until early next month.

The National Unification Ministry's Office of Planning of the LWR Project said Thursday that such delay is unavoidable since there has been no request to send the equipment thus far from a third survey group of the Korean Peninsula Energy Development Organization (KEDO). The team has been dispatched to the communist state to inspect reactor construction sites in advance.

The equipment had been originally scheduled to depart Pusan for Najin in North Korea at 6:00 PM Saturday [0900 GMT 30 December].

"The third investigation mission has been conducting on-spot probes in the North since Dec. 16, but has made no request for the sending of needed equipment thus far," an official at the LWR Office said.

An official at the Bonex Shipping Corp., which is in charge of transporting the equipment, added, "The transport is likely to be available on Jan. 11 or 12." Bonex is currently operating "Yan Long 4," a container ship of China's Dragon Shipping Co., on a direct sea route between Pusan and Najin.

Accordingly, preparations slated for Thursday to load the equipment onto the ship have been cancelled.

Japanese, Ministry Officials Discuss Relations

*OW2612135695 Tokyo KYODO in English
1252 GMT 26 Dec 95*

[FBIS Transcribed Text] Seoul, Dec. 26 KYODO — Senior Foreign Ministry officials from Japan and South Korea met Tuesday [26 December] to discuss pending issues in a joint historical study of relations between Japan and the Korean peninsula.

Ryozo Kato, head of the Foreign Ministry's Asian Affairs Bureau, met with Kim Ha-chung, his South Korean counterpart, at the inaugural meeting agreed to in November by Prime Minister Tomiichi Murayama and South Korean President Kim Yong-sam.

According to Kato, they agreed that a concrete plan to support the private committee that will conduct the research will be reached in time for a visit to South Korea early next year by Foreign Minister Yohei Kono.

South Korean officials indicated they would like to see made public a part of the documents concerning negotiations leading up to the normalization of diplomatic relations between Tokyo and Seoul in 1965.

Opening the documents to the public would mark the 30th anniversary of the establishment of Japan-South Korean ties.

Japanese officials said, however, that they are only in the process of preparing the documents and that it would be difficult to release the diplomatic documents in a year or two.

In November, the two countries agreed to review the history of their bilateral relations after a series of gaffes in recent years by senior Japanese officials.

Earlier this year, Murayama suggested the 1910 annexation treaty making Korea a colony of Japan had been concluded legally under international legal considerations of the day.

The indignation in South Korea was then further fueled by Management and Coordination Agency chief Takami Eto who said in an off-the-record interview that Korea had benefited from Japan's 1910-1945 colonial rule.

'Deep Regret' Expressed on French Nuclear Tests

*SK2812024895 Seoul YONHAP in English
0240 GMT 28 Dec 95*

[FBIS Transcribed Text] Seoul, Dec. 28 (YONHAP) — The Foreign Ministry expressed deep regret Thursday that France conducted yet another nuclear test earlier the same day in the South Pacific, the fifth in less than a year.

In a prepared statement, the ministry again urged the French Government to stop nuclear testing in recognition of international disapproval of nuclear testing.

'Delicate Tools' Devised for Foreign Bank Profit

*SK2312052195 Seoul THE KOREA TIMES in English
23 Dec 95 p 9*

[By staff reporter Yi Chang-sop]

[FBIS Transcribed Text] Seoul officials have devised a variety of delicate tools to control the profits of foreign banks in Korea despite their market-opening and fair treatment sloganeering.

Apparently under pressure from Washington, Seoul has taken a series of market-opening steps to impress foreign trading partners, allowing foreign banks here to issue more certificates of deposit (CDs) and to open branches freely, at the same time as they vow to promote regulatory transparency.

On the surface, international banks now appear to be enjoying more freedom than before in doing business. But many of them are experiencing a real squeeze in business, as shown by the fact that their Korean employees are receiving less pay than their peers at local banks. Just a decade ago, foreign banks here captured more than half of the foreign currency business. But now these banks control less than 10 percent. In the domestic deposit market, international banks had 2-3 percent but now they control less than 2 percent, according to data available at the Ministry of Finance and Economy and the Bank of Korea.

"We are not growing together with the Korean economy and Korean businesses," said an American banker. But regulators said due to the sheer expansion of the Korean financial market, the business volume of the foreign banks has increased even if they appear to be controlling less and less of the domestic banking market. At least, international banks have seen a marginal increase in business volume over the past few years.

Korean policymakers have adroitly controlled the amount of funds, both in local and foreign currencies, that foreign banks here are able to manage. As money is the raw material for business, the government's limit on the amount of money or funds foreign banks can hold has had a vital effect on the business expansion and profit growth.

The adroit control has left foreign banks here little room to demonstrate their sophisticated expertise, according to analysts.

A major tool used to manage the business of international banks is the strict control on capital. As all of their lending, deposit- taking and foreign currency business is linked to their capital, international banks face an "artificial" limit in expanding business in the liberalizing market here, foreign bankers here said.

Despite progressive moves toward foreign exchange liberalization, the government has been adamant it will not loosen its tight grip over the capital account, that is, the cross-border money flow that does not involve merchandise transactions. Tight capital control hampers the banking business, a central banker said. Out of concern over the negative impact that capital inflow will have on the economy, the government controls capital although it has generously deregulated current account controls, that is, cross-border money flow that does involve merchandise.

Changing external conditions have also served to depress the business of foreign banks. Just one or two decades ago, a few foreign banks were able to finance investments by Samsung Electronics and Hyundai Motor. But many of the Korean electronics, automakers and steel makers have grown much faster than the Korean economy. Just a decade ago, foreign banks were very important partners for Samsung and Hyundai. Now these firms no longer rely on international banks as vital sources of funding.

Samsung, Hyundai and Pohang Iron and Steel are going abroad directly to raise their capital using their own names and credit standing without the intermediary of the international banks.

Maintaining 'Appropriate' Level of Defense Urged

*SK2812112995 Seoul CHOSON ILBO in Korean
24 Dec 95 p 3*

[Editorial: "Medium-Range National Defense Plan"]

[FBIS Translated Text] "The Medium-Range National Defense Plan" was made public for the first time, calling for total of 87 trillion won [US$116 billion] in expenditures from 1997 to 2001. Seeing as the 1996 national defense budget totals 12 trillion, and when price increases during the next five years are taken into account, we estimate that the amount of 87 trillion is appropriate. Of course, the high proportion of national defense expenditures is not desirable because it impedes enhancing the quality of life, including economic development and the promotion of social welfare. However, it is imperative to take on the burden of national defense in order to maintain the appropriate level of national defense that ensures national security and our overall national interests. In particular, in view of the security circumstances facing us, it is important to systematically push ahead with the arms buildup under the long-range and medium-range plans.

First, we must prepare ourselves against the military threat from North Korea. Although the Cold War is over, tensions on the Korean peninsula are mounting instead of becoming relaxed. With the settlement of the negotiations for providing light-water reactors to North Korea, North Korea's nuclear activities seem to have been frozen. Nevertheless, their biochemical weapons and missiles, which North Korea is frantically developing, are becoming a more realistic threat. Also, our internal situation and its "movement to correct history" gives the impression that security has been lightened recently. Amid such circumstances, reports about North Korea's alarming military movements are heard one after another. For us to be able to frustrate North Korea's military adventure, we should have the capability to cope with it. In view of the situation facing us, it is essential and imperative to maintain a certain degree of national defense. The arms race in Northeast Asia is at such a level as to attract world attention. The PRC is conducting nuclear tests and missile firing exercises in the neighboring seas, and Japan is responding by announcing "new programs to its defense plan" and "the next-term medium-range adjustment for defense," both of which have been prepared based on its economic power.

This being the situation, we cannot idly rely on the United States. When we fail to maintain an independent power to ensure our national security, we cannot assume a fair and dignified position in negotiating economic issues, including trade. When we have an essential and necessary national defense, only then can we exercise the right to speak in the international arena. Only those who possess an independent defense can join the disarmament negotiations. "The Medium-Range Defense Plan" is to be undertaken at a time when the unification-security issue more important than ever before. We need to pay close attention so that this plan does not become another "the Yulgok Project," which became severely tarnished. Even if a surplus is achieved while implementing the plan, one should use the extra money to introduce another fighter and another ship instead of misusing it.

2d Phase of Kim Yong-sam Administration Previewed

*SK2712073595 Seoul YONHAP in English
0229 GMT 27 Dec 95*

[Article by Yi Kwang-ho: "President Kim Starts New Year With New Lineup and Resolve"]

[FBIS Transcribed Text] Seoul, Dec. 26 (YONHAP) — The year 1996 will be the starting point from which President Kim Yong-sam will set sail on the second phase of his administration, but his upcoming voyage is expected to be just as eventful, hectic and turbulent as the bygone days of his five-year tenure.

During the first phase of his administration, the president's state policy focused on laying a firm foundation for reforms meant to build a new world-class nation. To achieve such a goal, he strived to correct modern South Korean history by exposing past wrongdoings, especially the deep-rooted evils of the military regimes that gripped this country for more than 30 years.

The president is now facing the historic task of single-handedly recreating a new government based on the stability brought about by political reforms and economic successes of his administration.

Kim's political tasks for the new year can be divided into the following four categories: Making sure that his political reforms take root to create a new political climate: ushering in an era of smooth generational change in political leadership: insuring that the ruling party prevails in the upcoming general election: and perpetuating his own political influence by help to choose a promising presidential candidate for 1997.

Whether these tasks are achieved or not will be crucial to how history views the civilian administration of Kim, who was sworn into office in February 1993. These are not routine objectives that can be abandoned or retained according to political expediency or determined by changes in the political and economic climates.

If the current administration fails to achieve any of these objectives, reforms in political, economic, and social sectors, which have only recently gained credibility, will most likely amount to nothing. In the first phase of his administration, Kim persistently pushed for various reforms including financial disclosure by public officials: eliminating illicit political funds: severing collusive ties between politics and business: cracking down on political corruption and financial irregularities: military reforms: and implementing the real-name financial transaction system.

His reform drives have exposed past wrongdoings and shown the South Korean people that such activities will be punished, evidenced by the arrests and indictments of former Presidents Chon Tu-hwan and No Tae-u.

Kim's urgent need to rally public support for the new beginning he hoped for through a "liquidation of the past" was triggered by the stunning defeat the New Korea Party suffered in the June 27 local elections.

Some political analysts predict that the ruling party will not be able to win the upcoming general elections in April unless it is able to create a new political climate. Perhaps the president's government reshuffle last week, highlighted by the appointments of Prime Minister Yi Su-song and Chief Presidential Secretary Kim Kwang-il, was intended to serve this purpose.

The president is also expected to revamp the ruling party structure in such a way that reinvigorates public support before the upcoming general elections. Insiders believe Kim will recruit a large number of candidates in their 40s and 50s to run for office.

Others predict that Kim will implement an aggressive campaign before the elections to improve the public's perception of politics and politicians, and to completely eradicate the corporate- politician partnership that has tainted past administrations.

A senior official at Chongwadae [presidential offices] emphasized that the president's resolve will make itself known through his actions in 1996.

In this regard, Kim recently stressed that he would devote all of his energy during the remainder of his presidency to rectifying national history, and pointed out that "setting history straight is a glorious revolution recovering national dignity and opening a bright future of the nation."

Kim is acutely aware that his "glorious revolution" will only be successful with the support of economic stability. Therefore, he is expected to focus on economic issues, such as sustained economic growth and consumer price stability, that affect the lives of the average citizen.

The chief executive is also expected to emphasize the importance of national security as essential for political and economic stability. With this goal in mind, he will promote military morale while devising a strategy for coping with the unpredictable contingencies of North Korea.

Kim will also attempt to open channels of communication with Pyongyang to lessen the possibility of war on the Korean peninsula. His efforts for inter-Korean rapprochement hinges on how they are received by the communist North, but it seems likely that changing international conditions, like the recent signing of the light-water nuclear reactor supply contract between the Korean Peninsula Energy Development Organization (KEDO) and North Korea, will break new ground in inter-Korean relations.

Exit Bans Imposed for Alleged Scandal Involvement

SK2812010895 Seoul YONHAP in English 0048 GMT 28 Dec 95

[FBIS Transcribed Text] Seoul, Dec. 28 (YONHAP) — Exit bans have been imposed on 39 persons who are suspiciously implicated in the slush fund scandal involving former President Chon Tu-hwan and the 1979 military mutiny and the 1980 Kwangju massacre, prosecutors said Wednesday.

Among those prohibited from leaving the country are Sakong Il, presidential economic aide and finance minister under the Fifth and Sixth Republics, An Mu-hyok, who headed the Social Purification Committee and the National Tax Administration, and Yi Sang-yon, who served as Taegu mayor, home minister and director of the Agency for National Security Planning.

The three are suspected of having played key roles in helping Chon accumulate slush funds during his 1980-88 tenure.

Also included are five lawmakers — Ho Sam-su, Ho hwa-pyong, Pak Chun-pyong, Chong Ho-yong and Yi Sang-chae, Kwon Chong-tal, information director of the then Defense Security Command headed by then Maj. Gen. Chon Tu-hwan, and Pak Sang-chun and Yi Chae-u, both of whom have not been mentioned thus far.

They are suspected of having been deeply involved in the coup d'etat in 1979 and the Kwangju massacre in 1980, or helping Chon to raise slush funds, which means they may face legal actions.

Ten out of the 39, including Sakong Il, An Mu-hyok, Yi Sang-yon and Chon's chief bodyguard An Hyon-tae, are not among the 82 accused of being involved in the military mutiny and Kwangju massacre. Twenty-nine of the 82 have been subjected to exit bans.

"Exit-bans have been imposed on these 10 people because of their involvement in the military mutiny, the bloody crackdown on pro- democracy protests in Kwangju and Chon's slush fund scandal," a prosecutor said.

He, however, declined to disclose possible charges that could be brought against them.

SDPO Visits Chunam To Gather Evidence

SK2812121895 Seoul THE KOREA TIMES in English 28 Dec 95 p 3

[FBIS Transcribed Text] Kwangju — Investigators from the Seoul District Prosecutor's Office [SDPO] yesterday visited Chunam village to gather evidence pertaining to the alleged massacre of citizens there by soldiers on May 23, 1980. In their joint probe into the massacre with the Kwangju District Prosecutor's Office, the investigators went to the place on the Kwangju-Hwasun road near Chunam village, where 12 bus passengers were allegedly killed by troops of the 11th Airborne Brigade.

The Chunam incident is considered one of the extreme atrocities committed by soldiers mobilized to crack down on civil protests against the expansion of martial law nationwide on May 17.

The prosecutors also obtained statements from Mrs. Hong Kum-sok, the lone survivor of the massacre, about the incident.

With her allegation that an officer from the airborne unit ordered the execution of two injured men on the bus, the investigators decided to see if they could track down the officer.

The fact-finding team also visited Kumnam-ro Street and other areas of downtown Kwangju, where armed civilian protesters and soldiers staged bloody clashes during the democratic uprising.

According to official accounts of the then government, 166 civilians were said to have been killed during the 10-day military operation to crush the uprising while civic groups put the number of fatalities at between 600 to 1,000.

An American pastor, who said he was in Kwangju during the civil uprising, earlier put the number of civilian victims at 832, also alleging that a helicopter gunship opened fire on protesters.

The prosecutors' fact-finding probe is focusing on pinpointing the exact number of civilian casualties, the identity of the persons who gave the order for soldiers to open fire on protesters and whether a helicopter did fire upon demonstrators as claimed by the pastor.

During their four-day stay in Kwangju this week, they will visit the bivouac sites of the airborne units sent to Kwangju at Chonnam National and Choson Universities.

Meanwhile, senior prosecutor Kim Sang-hui from the SDPO questioned yesterday Yi Chong-nam, 41, a victim of an "indiscriminate" attack by soldiers.

Yi, then the owner of a shoe store in Kwangju, told the prosecutor that he had been beaten by soldiers around the intercity bus terminal.

"The soldiers started to beat me with clubs for no reason," Yi said testifying to the attacks against innocent citizens at that time.

He claimed that there has been no demonstration in the area, where he was beaten.

According to Yi, he still suffers problems from the beating and has had trouble leading a normal life.

New Economic Deputy Prime Minister Interviewed

SK2812130395 Seoul CHOSON ILBO in Korean 22 Dec 95 p 11

[Report on an interview with Na Ung-pae, newly appointed deputy prime minister in charge of economic affairs, by unidentified correspondents at a news conference following Na's inaugural ceremony in Seoul on 21 December; report by Pak Chong-hun]

[FBIS Translated Text] [Correspondent] In your inaugural speech, you mentioned you will root out the ill habits of companies. What is your plan?

[Na] Eradicating business corruption and cutting the ties between business and political circles is the will of the president. Such bad practices must be immediately corrected. However, this should not hinder the creative business activities of companies. A concrete plan will be presented based on substantial discussions, and will be reflected in next year's economic management plan.

[Correspondent] Many people are concerned that next year's economy will face stagnation.

[Na] Stagnation is not the proper word. We are merely in the course of adjustment from a 9 percent rate of growth to a normal rate of growth, with our economy achieving a $10,000-per-capita income. In order to reach the $20,000 point, we must maintain 7 to 8 percent annual growth. I will seek measures to maintain the optimum rate of growth.

[Correspondent] What if business circles demand a pump-priming policy?

[Na] I will take the necessary steps depending on the situation. I am a reasonable man, and will be flexible and will listen to the public and working-level opinions.

[Correspondent] How do you plan to solve the problem of the bipolar economic phenomenon?

[Na] The difficulties of small businesses and light industry may be the inevitable results of the adjustment of the industrial structure. However, we cannot blame this on market mechanisms. I will exert efforts to minimize the difficulties of those who are unable to benefit from the overall growth, and will enable them to participate in the adjustment of the structure.

[Correspondent] What issues will the new economic team focus on?

[Na] Instead of making new policies, we will speed up existing ones. We will focus on implementing the existing economic plan. We will continue with economic reform and deregulation. The adaptation of the integrated tax system and real name system in real estate transactions are also important goals. We will create better conditions for companies to be creative and self-regulative. The deregulation of financial and land systems will be expanded. We will try to develop reliable rather than popular policies.

[Correspondent] What did you mean by "the quality of life" in you inaugural speech?

[Na] When I took office, I discovered the traffic jam between Kwachon (the second government building) and Kwanghwamun (the first government building) was a serious problem. "The quality of life" as regards the traffic, environment, and medical service for a $10,000-income era will be an important task.

[Correspondent] Many people are concerned that economic issues may be resolved by political theories due to the upcoming major political schedule, including general and presidential elections.

[Na] Economic issues should basically be resolved by economic theories. However, there are more than the economic theories in the state administration. For example, economic theory is to leave everything to market principles; however, it is the government's duty to ensure a minimum level of human life to the needy who are behind the competition. You cannot brand this as political theory.

Kim Yong-sam Decides To Retain NKP Chairman

SK2812095095 Seoul YONHAP in English 0931 GMT 28 Dec 95

[FBIS Transcribed Text] Seoul, Dec. 28 (YONHAP) — President Kim Yong-sam has decided that his ruling New Korea Party [NKP] would take part in next April's general elections under the existing party leadership of Party Chairman Kim Yun-hwan.

During his weekly meeting with Chairman Kim Thursday afternoon, President Kim told him to prepare for the general elections under his overall control, Senior Chongwadae [presidential offices] Secretary for Political Affairs Yi Won-chong said.

The presidential instruction is taken as his final decision to retain Kim Yun-hwan's leadership system at least through the general elections. President Kim concurrently heads the ruling party.

Some sectors of the ruling camp had advocated a change in the party leadership in a way that would introduce multiple vice party presidents or a supreme members system.

President Kim and the party chairman also decided during the meeting to hold a special party convention on Jan. 26 and complete the party nomination of NKP general election candidates by Jan. 20, Senior Secretary Yi said.

NKP Studies Introducing 'Collective' Leadership

SK2812064195 Seoul THE KOREA TIMES in English 28 Dec 95 p 2

[FBIS Transcribed Text] A number of ruling New Korea Party [NKP] officials are claiming again, though not publicly, the need to change the party's current leadership format with less than four months to go before next April's general elections.

For now, the party is led by the chairman of the top decision- making Executive Council under the direction of President Kim Yong- sam, who is also the party's head.

The officials stress the current leadership system should be replaced by a new one under which four to seven vice presidents or co-chairmen share the leadership and one senior vice president or co-chairman represents the party.

More concretely, the officials, including some loyalists of President Kim, say the party should appoint senior party members, who represent each region of the nation, to assume such a collective leadership.

They maintain this is the best way to maximize the NKP's chances of winning the National Assembly polls.

The controversy over the party leadership system is not new. Just before the June local elections, in which the ruling Democratic Liberal Party as the NKP was known then suffered major setbacks, a similar dispute arose and plunged the party into turmoil.

But they say the situation is totally different now. And the new system would make it easier to bring in fresh faces. The NKP is reportedly trying to bring into its fold former prime ministers Yi Hoe-chang and Yi Hong-ku, and former Seoul mayoral candidate Pak Chan-chong.

Some officials say any possible opposition from chairman Kim Yun- hwan can be nullified by offering him the post of senior vice chairman or representative co-chairman.

In fact, their proposal faces strong opposition from chairman Kim and his followers. Some members of President Kim's loyalist group also oppose the proposed system.

Chairman Kim and his group of conservative lawmakers sees the proposed change of the party's leadership format as an attempt to "shake" the chairman's present status.

The group of lawmakers, mainly hailing from Taegu, hometown of disgraced ex-presidents Chon Tu-hwan and No Tae-u, and its surrounding Kyongsangpuk-to, are concerned about their future since the arrest of the former chief executives who many served under in various posts.

Some of Kim Yong-sam's loyalists also oppose any change in the leadership format but for completely different reasons from those of the so-called "TK" group.

The junior members of President Kim's group say they do not need to compromise with the conservative faction. They claim Kim Yun- hwan should be replaced with a fresh and reform-minded chairman who fits in perfectly with President Kim's reform drive.

"All we have to do is to set up a new leadership under the current system," said one of Kim's loyalists. "It is not appropriate for the present chairman of the NKP to lead the campaign to straighten out history."

Any proposed change in the party's leadership format is eventually up to President Kim and whether chairman Kim will accept it, observers say.

President Kim is reportedly reluctant to allow mid-level bosses to take part in the NKP's leadership. Accordingly, it is still uncertain if discussions on the issue will go public, the observers say.

Na Ung-pae Discusses Economic Stability, Reform

SK2712015995 Seoul THE KOREA TIMES in English 27 Dec 95 p 9

[From the "Figure in Focus" column]

[FBIS Transcribed Text] Na Ung-pae, 61, will go down in the Guinness Book of Korea as the first Korean to retain deputy premier status three times and serve as chief for five ministries.

Upon inauguration of the No Tae-u administration in 1988, he was the first deputy premier and economic planning minister. Last February, President Kim Yong-sam appointed him the deputy premier and unification minister.

In the nation's modern history, no Cabinet member has held such an honor of retaining deputy premier status in three posts, a record which may not be easily broken. He also served as finance minister and trade-industry minister under the Chon Tu-hwan administration in

1982 and 1986. He is also a record holder in terms of the number of Cabinet posts appointed. He has held five.

He was the last trade-industry minister under the Chon Tu-hwan administration and the first economic planning minister under the No Tae-u administration.

But in each Cabinet post, he served only four to nine months, allowing him no opportunity to turn his philosophy into action.

Na has had a colorful career. He was the top student on the list of graduates of the Commerce Department of Seoul National University in 1957. He also topped the list of successful applicants in a recruitment exam the Bank of Korea [BOK] gave college graduates the same year. He joined the central bank, together with incumbent BOK governor Yi Kyong-sik, former BOK governor Kim Myong-ho and Yi Sang- kun, president of the Korea Non-Bank Deposit Insurance Corp.

Upon getting a Ph.D in business administration at the University of California in Los Angeles in 1968, he served as professor at Seoul National University. He switched his career to the business world by becoming president of Haitai Confectionery and then Hankook Tire. He was tapped as the finance minister for six months under the Chon Tu-hwan administration, but he resigned from the post, taking responsibility for the so-called Madame Chang Yong-cha financial scandal. He served as the ruling party's lawmaker four times.

His appointment sent a sense of relief to the business community which has faced the indictment of business tycoons for donations of huge amounts of slush funds to ex-presidents No Tae-u and Chon Tu- hwan.

He is regarded as a pro-businessman but not a reformist, a figure well-fitted for this turbulent period when the political community is in a chilly mood.

Upon appointment, Na said now is not the time to initiate new economic programs, saying all of his policies will be implemented within a framework of the pre-announced Five-Year New Economy Plan, which is the Kim Yong-sam administration's economic philosophy. He is rational and very adroit in drawing simple conclusions on complicated issues. But he is said to be too timid to push for new initiatives.

Na emphasized there should be no shock therapy in economic policy, saying what is important now is "economic stability rather than reform." But he has not yet publicly commented on whether he will artificially boost the stock market. Nor has he indicated whether Korea will stick to its pre-announced plan to gain a seat in the OECD next year at the expense of risking votes ahead of the general Assembly elections.

He declared his intention not to seek re-election in the April general elections, but he will still retain lawmaker status in a Seoul district on a ruling party ticket. The big challenge awaiting him is if he can engineer a soft landing from a more than 9 percent growth this year amid the elections.

Businesses Contest for Telecom Service Licenses

SK2712063995 Seoul THE KOREA TIMES in English 27 Dec 95 p 8

[Report by staff reporter Chae Hui-muk]

[FBIS Transcribed Text] Business conglomerates and medium-sized corporations are preparing to get the telecom service licenses which are to be issued in June after a screening over two months.

At stake are 29 licenses—one for international phone service, three for personal communication service (PCS), one for a nationwide trunked radio system (TRS) service, nine for regional TRS services, one for a nationwide paging service (CT-2), 10 for regional CT-2 services, three for nationwide wireless data transmission services and one for a radio paging service in metropolitan Seoul.

Fierce competition is expected among business groups and medium- sized corporations for the international phone service franchise, two PCS licenses, one nationwide TRS service franchise, three licenses for nationwide wireless data transmission' service and one radio paging franchise.

No one, except Korea Telecom, will be allowed to apply for two or more of the 29 franchises. Korea Telecom, the state-run and largest telecom service provider in Korea, will be given the chance to apply for both PCS and CT-2 rights for nationwide service as it is a backbone communication service provider.

Leading business groups or chaebol, including Samsung, Hyundai, LG and Daewoo, which have telecom equipment manufacturing subsidiaries, will compete most for PCS tickets. Kumho, Hyosung, Dongbu and Hansol Paper are ready to join the competition as non- telecom equipment makers.

They are desperate to win the tickets for PCSs as the business is expected to gain stature in the 21st century. Most of the nation's population aged 20 years or older are expected to hold PCS phones with multimedia functions in the 21st century as if they were resident I.D. cards.

Most of the business groups have set up special task forces under the chairmen or the top executives to seek these licenses and have completely, or almost so, drawn up applications have secured advice from foreign consultants.

They are eager to attract promising partners at home and abroad, which is factor in passing the initial paper test and they refuse to elaborate on their figures.

A Samsung official only revealed that his group intended to recruit some 150 partners.

The Korea Federation of Small Business (KFSB) is also eying the PCS pie on the judgment that it will be favored because of the government's guidelines which allow consortiums composed of small and medium-sized firms.

A KFSB official said that the federation has set the paid-in capital at 200 billion won and will set up a cooperative for the business by March next year.

The KFSB projected to form the consortium with a 70-30 share ratio between leading firms and general participants in the fund. One of the leading firms of the leader group will be allowed to invest up to 5 percent or 10 billion won of the total and each of the general participants up to 1 percent or 2 billion won.

Some 10 firms are intending to take part in the bid for the one international phone service license. Strong contenders will be Lotte, Iljin and Dong Ah Construction. Hansol and Daewoo will have to choose between a PCS and the international call service as no one is not allowed to apply for more than one license [sentence as published].

A Daewoo official said, "We are delaying our choice to see which group will have a better chance of success in the third round or the final lottery."

Competing for one nationwide TRS license will be Anam, Kia, Hanwha, Dongbu, Ssangyong and Trigem Computers.

As applicants will have to employ high-tech digital mode for the nationwide TRS service, they are eager to join forces with foreign partners.

The Anam Group, which has prepared for the TRS service for the past two years, has cooperative ties with Geotek of the United States, and set up Anam Geonet [as published] last July. Anam hopes to introduce the FHMA (frequency hopping multiple access) system developed by Geotek.

Automobile maker Kia Group plans to provide TRS service with Iden technology provided by Motorola and Hanwha Group is seeking ties with Ericsson of Sweden. Doowon Group is seeking the license for TRS service in the Seoul metropolitan area.

Two state-run firms, Korea Electric Power Corp. (KEPCO), Korea Highway Corp., and Korea National Railroad (KNR) plan to apply for either one PCS or the international phone service franchise, on account of their existing telephone networks.

However, they will be unable to apply for the licenses as leaders because state-run firms and government agencies are banned by law from owning more than 10 percent of equity capital in joint ventures.

A KEPCO official said that KEPCO has not decided whether to take part in the competition.

It is reported that Samsung plans to unite with KEPCO in order to make the most of the latter's phone network.

Korea Xerox and Daehan Pulp Industrial have formed a consortium to seek the license for wireless data communication service using Ericsson's Mobitex equipment. Korea Information & Telecommunications plans to compete using British Paknet equipment.

Burma

Oil Companies Working for Development of Villages

BK2712090095 Rangoon Radio Myanmar in Burmese 0430 GMT 27 Dec 95

[FBIS Translated Text] Myanmar [Burma] Oil and Gas Enterprise of the Ministry of Energy and Total Myanmar Oil and Natural Gas Exploration Enterprise, Unocal, and Thailand's Petroleum Authority of Thailand, PTT, which had signed production sharing agreements had started their work on Yadana oil field development scheme in the Gulf of Martaban.

The said companies and organizations are working for economic and social development of villages and village tracts in Kanbauk region in Yebyu Township through which the gas pipeline will pass.

Suu Kyi Comments on 'Growing' Drug Problem

BK2812115995 Melbourne Radio Australia in English 0630 GMT 28 Dec 95

[From the "International Report" program]

[FBIS Transcribed Text] There are fears of cheap heroin flooding world markets in the new year as Burma gears up for a bumper opium crop. New estimates obtained by Radio Australia revealed increasing cultivation and opium production across even greater areas of Burma's Golden Triangle. Thai drug officials also report greater opium yields in Thailand, far smaller poppy-growing zones, and the development of new smuggling routes to avoid tighter Thai border control. And, as Evan Williams reports, the increasing concerns about the possible infiltration of drug money into Burma's legitimate economy:

[Begin recording] [Williams] In the misty, isolated mountains of Burma's Golden Triangle, hilltribe villages are about to harvest one of their best opium crops in years. Run by armed ethnic armies, these poppy fields feed secret border refineries processing more than half the world's heroin. U.S. figures show Burma produced 15 percent more opium this year to 2,340 tons that make about 230 tons of high-grade heroin. That is more than 2,000 times the size of Australia's biggest-ever heroin haul in Darwin harbor last year, before the drug is cut four or five times more. This season's harvest in February and March will produce even more heroin from expanding fields, and new smuggling routes mean they could get it out cheaper and faster.

Heroin is also finding a domestic market in Burma, where the narcotics control agency says there are now up to 300,000 addicts. An average of two-thirds are HIV positive, as they share illegal needles. In a rare comment on Burma's growing drug problem, opposition leader Aung San Suu Kyi says there are grounds for serious concern:

[Suu Kyi] [Words indistinct] of the concern to me and to everybody in Burma because drug trafficking is causing us a lot of trouble and a lot of our young people have become addicts. And there is always the possibility that the numbers will increase out of control.

[Williams] The International Narcotics Control Board acknowledges that the Burmese Government has taken some action to try and fight drugs. Its military campaign against drug lord Khun Sa did curb some heroin production from his sites. It says the tighter border control by the Thais continues to hurt smuggling. But it says Burma has really failed to take any meaningful eradication or enforcement measures against the main heroin producers.

Burma is the world's biggest heroin producer and the government continues treating counternarcotics with secondary importance, says the Narcotics Control Board. Rangoon's priority is cease-fire with the ethnic groups, which leave them free to run their heroin trade. The narcotics agency says the government has political and economic leverage over these ethnic groups that it simply fails to use to reduce heroin smuggling and production. The government says its first priority is stability amid volatile ethnic politics. The result is booming drug empires.

One Western observer in Rangoon says opium fields are now starting to spread into government-controlled areas, while there is little chance that smugglers will get caught — local corruption make sure of that. And there are growing fears drugs money is creeping into Burma's white economy through hotels and transport companies, although nobody has any real proof:

[Suu Kyi] Well, I do not have any hard facts, but there are indications that a lot of drug money is being laundered, and that of course is a matter of concern.

[Williams] At best [words indistinct] the regime benign neglect allows the trade to grow but there is little evidence of any serious counternarcotics action in itself. Even a $20 million UN crop replacement scheme has been suspended because the generals fear the officer involved, an Australian citizen, has become too close to the ethnic fighters and could, therefore, be a security risk. And the government's long-publicized push against Khun Sa himself has mysteriously been canceled, suspended, or at least is not going ahead at this stage. [end recording]

Brunei, Malaysia & Singapore

Malaysia

Army, Police Depart for PKO Mission in Angola

BK2712111695 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 27 Dec 95

[FBIS Translated Text] The first batch of nine Malaysian Army officers left for Angola last night to participate as observers in the UN peacekeeping [PKO] mission in that country. The officers, led by Lieutenant Colonel Chu Eng Onn, will serve in Angola for one year. They left on Singapore Airlines Flight SQ0121 at 2145 [1345 GMT] last night. Their relatives and friends were at the airport to see them off. The second batch, comprising 10 members, will leave for Angola on 2 January 1996. They will be replacing the previous group that completed its term of service a year ago.

Departing on the same flight to Angola were five officers of the Royal Malaysian Police under the command of Assistant Superintendent of Police Nik Nazli Haji Hussein. They will serve as UN policemen.

Singapore

Official on Growth of Communications Sector

BK2812111595 Singapore BUSINESS TIMES in English 28 Dec 95

[Unattributed report; currency in the Singapore dollar — received via Internet]

[FBIS Transcribed Text] THE communications and information sector here will see a 77 per cent increase in business spending this year, and could get its next boost from a new wave of Western broadcasting companies setting up operations here.

The Economic Development Board [EDB] said yesterday in its year-end briefing on the sector that total business spending (TBS) for 1995 would rise to $265 million.

TBS is the usual measure of growth in the services industry and covers a firm's recurrent annual expenditure.

EDB said the broadcasting and television production sub-sector was the biggest component in communications and information, with spending of $160.3 million.

It also registered the fastest growth of 375 per cent.

The board's head of communications and information services, Lee Weng Fai, said that a "second wave" of broadcasting companies was expected to set up operations here next year.

He declined to name the potential investors, but said they were "well-known names in the West."

Several foreign broadcasters have already set up shop here, including MTV Asia, ESPN, and Asia Business News.

They transmit via satellite, and some of their programmes are carried here by Singapore CableVision, Singapore's only cable TV network.

An EDB official said there was a need for more "Asianisation" of content in the local broadcast industry, and the board would work to broaden and deepen the base of players here.

The other sub-sectors in communications and information — telecom/on-line services and multimedia/IT [information technology] services — are expected to post spending of $67 million and $37 million respectively this year.

EDB's deputy director of the services development division, Thomas Yeoh, said the board would encourage companies in multimedia software development to create more titles with local content, and would try to attract foreign developers to set up here as well.

Fixed asset investment commitments in the overall communications and information sector totalled $158 million in 1995.

Indonesia

Jakarta Awaits PNG Action Against OPM Kidnappers

BK2812072995 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 28 Dec 95

[FBIS Translated Text] The governments of Indonesia and Papua New Guinea [PNG] will continue to enhance cooperation and coordination in ensuring security along their common border and eliminating a security disturbance movement [OPM, or Free Papua Movement, which is fighting to establish a separate state in the Indonesian province of Irian Jaya], which remains active along the border.

Replying to reporters prior to a plenary cabinet session in Jakarta this morning, Foreign Minister Ali Alatas said Indonesia is awaiting PNG's action in handling the case of two Indonesians kidnapped by the movement several days ago.

[Begin Alatas recording] Indeed, the incident has caused deep concern and indicates that some OPM remnants keep trying to keep the issue there alive. OPM represents only a handful of persons. Nevertheless, they are still dangerous because they are bent on kidnapping other people or committing other acts. [end recording]

Like some people in East Timor, the OPM members simply want to keep the issue, which has almost vanished, alive. They have become more desperate because the effect of what they are doing is becoming less important.

'Renewed Split' Seen Among East Timorese

LD2712232795 Lisbon Radio Renascenca in Portuguese to Europe 2200 GMT 27 Dec 95

[FBIS Translated Excerpt] There is a renewed split among the East Timorese which was today visible following the news of a visit by Abilio Araujo to Jakarta, where he is due to meet President Suharto. The first negative reaction to this meeting came from Ramos Horta. The East Timorese resistance [Fretilin] spokesman abroad believes that Indonesia will only change its mind if the international community, Portugal, and the resistance exert pressure, and that a meeting involving Abilio Araujo will not be enough:

[begin Horta recording] Only international pressure, an increasingly armed, political, and diplomatic aggression from the resistance, a greater firmness and aggression from Portugal toward its European Union partners and the United States — and we are on the right track — will force Indonesia to give in. Indonesia will not do it with Abilio Araujo or his closest collaborators. [end recording]

[Announcer] Fretilin restated this evening that Abilio Araujo was expelled from the organization in 1994 and as such he is not in Jakarta as a representative of the resistance. Fretilin says in a communique that, should this meeting take place, it only aims at confusing the international public opinion.

Abilio Araujo is still in the Indonesian capital waiting to meet President Suharto. The meeting was scheduled for today but, as we heard, it did not take place. Rogerio Pereira, accompanying Abilio Araujo, assured Paulo Rego that the meeting will take place but the date and the location are secret:

[begin recording] [Pereira] It will not be announced and therefore I cannot tell you when the meeting will take place.

[Rego] Does the meeting depend then on a confirmation from President Suharto?

[Pereira] No, things are already organized and confirmed and the meeting will take place.

[Rego] Has Abilio Araujo included a visit to Xanana Gusmao in his program?

[Pereira] No, that is not programed. [end recording] [passage omitted]

Surrender of Two Fretilin Members Reported

BK2812124595 Jakarta ANTARA in Indonesian 1008 GMT 28 Dec 95

[FBIS Translated Excerpt] Dili, (?28 Dec) (ANTARA) — Two members of Fretilin [Revolutionary Front for an Independent East Timor], a security disturbance movement in East Timor, have voluntarily surrendered to local security forces in the province, which is still in a Christmas mood.

"A member named Maubano, alias Luis da Costa, (36) gave himself up in Los Palos (Lautem) on Wednesday (27 December), while the other, Makikit, alias Matheus da Silva, (35) was captured in Atsabe (Ermera) on 15 December," Infantry Colonel Mahidin Simbolon, commander of the 164/Wiradharma Military Area Command, said in Dili on Thursday. [passage omitted including indistinct portion — biographies of those surrendering]

Philippines

Tariffs on Imported Agricultural Goods Reduced

BK2812055695 Manila BUSINESS WORLD in English 28 Dec 95

[Report by Marvin A. Tort — received via Internet]

[FBIS Transcribed Text] Malacanang recently ordered the reduction in tariffs on imported agricultural products as well as several industrial goods in line with the government's tariff reform program.

Through Executive Order [EO] No. 288 which was issued last 12 December, tariff rates on agricultural goods under Chapters 1 to 14 of Presidential Decree No. 1464 or the Tariff and Customs Code (TCC) will follow a four-tiered structure beginning 1 January 1996 until the year 2000.

Covered by the order are tariffs on pure-bred breeding animals such as live horses, swine, bovine animals such as cows and oxen, sheep, goats and poultry which includes ducks, geese, turkeys and guinea fowls.

The order also covers tariffs on imported non-concentrated milk and cream, buttermilk, wheat, cocoa beans, rice and cigarettes, among others.

EO 288, which modified the nomenclature and the rates of import duty on certain imported articles under the TCC, was enacted pursuant to the government's desire to impose a two-tiered tariff structure by the year 2003.

It was also issued in line with the country's free-trade commitments under the General Agreement on Tariffs and Trade (GATT) and the ASEAN Free Trade Area

(AFTA) agreement to lower tariff rates on industrial and agricultural products.

The new executive order complements EO 264 issued in July 1995 which prescribed a reduction in tariffs on industrial products covered by Chapters 25 to 97 of the TCC. This includes, among others, oil and petroleum products, petrochemicals, iron and steel and motor vehicles.

ABB Deputy Commander, Spokesperson Arrested

BK2812015795 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 27 Dec 95

[FBIS Translated Text] The deputy commander and spokesperson of the Alex Boncayao Brigade [ABB] fell into the hands of the combined forces of the military and the PNP [Philippine National Police]. The authorities identified the arrested ABB suspect as Victorio Ferdinez, also known as Marcial Jacinto, Nilo and Roman, tagged as the vice-commander of the ABB Political Military Department headed by Nilo De la Cruz. Ferdinez was arrested by the combined forces of the PNP, PIC [expansion unknown], Army Intelligence, (ISAAC) [expansion unknown], Northern Police district command. Arrested with Ferdinez was his bodyguard, identified as Restituto Loreto.

According to reports, seven more ABB members were arrested the other day, in addition to the six ABB members arrested earlier in separate raids. Two of the six arrested have already been charged with double murders at the Quezon City Regional Trial Court [RTC] in connection with the ambush of Filipino-Chinese businessman Leonardo Ty, and his driver Nestor Encarnacion. Those charged were Roberto Lopez Jr. and Norlando Bondallon. The Quezon City RTC has not recommended bail for the suspects who are currently jailed at Camp Crame.

Meanwhile, another suspected ABB member was shot and killed, while his companion was wounded as they attempted to attack a police station in Caloocan City.

[Begin Interior Secretary Rafael Alunan recording, in English] We have launched a legal offensive and our task now is to prove beyond doubt that the...[recording fades into unmonitorable level; recording ends]

In this connection, Interior Secretary Rafael Alunan announced that with the arrest of the ABB members, they consider the Leonardo Ty murder case solved. He also assured that the new forces of the PNP is on the alert for possible reprisals of the armed faction of the breakaway Manila Rizal Committee of the Communist Party.

No Link to ABB Suspects Killing Businessman

BK2812023795 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 27 Dec 95

[FBIS Translated Text] Senior State Prosecutor Ferdinand Abisamis admitted that there is [no] evidence directly linking Lejone De la Cruz, Alma Flores, and Edmundo Landrito of the ABB [Alex Boncayao Brigade]. Nor is there evidence to link the three to the murder of businessman Leonardo Ty. Due to the lack of evidence, the three were charged with illegal possession of firearms, and possession of marijuana.

[Begin Abisamis recording in progress, in English] ...but in so far as the present records are concerned there is nothing, which would show that they were involved in the killing of Rolando Ty [name as heard] or that they are ABB members. But as I have said, if later, the complainant would be submitting additional evidence, along those lines, then we have no alternative expect to accept them, and so be it, if that would be shown by those additional evidence. [end recording]

Police Killed During Antidrug Operation

BK2812023895 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 27 Dec 95

[FBIS Translated Text] Three people were killed, including a Manila policeman during an antidrug operation near the Islamic center at the Globa De Oro at Quiapo. SPO [Senior Police Officer] (Antonio Haymalig) of the WPD [Western Police District] was hit on the head and died instantly when they were ambushed by unidentified suspects. Also killed were Sheik Abdul Aguid Mahmood and an unidentified victim.

According to reports, the police were conducting an antidrug operation when they were suddenly attacked. The suspects escaped by mixing with the crowd at the Islamic Center. Fifteen people, including a woman, were arrested after they were found hiding in houses surrounding the Islamic Center. WPD Chief General Hermogenes Ebdane ordered the deployment of police in the said area to pursue the suspects. It was believed that the suspects avenged the successive raids conducted by the police against the drug pushers in the area.

New Labor Secretary, Ambassadors Named

BK2712120195 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0945 GMT 27 Dec 95

[FBIS Translated Text] President Ramos has started to revamp his cabinet. Senior Deputy Executive Secretary Leonardo Quisumbing has been confirmed to sit as labor secretary, while acting Labor Secretary Jose Brillantes will be the country's ambassador to Malaysia. Brillantes will replace Alberto Encomienda, who was appointed ambassador to Singapore. It was confirmed that there will be further cabinet changes, but Malacanang [presidential palace] so far refuses to give names.

Thailand

Thanong Loses Battle To Avoid Extradition

BK2712033595 Bangkok BANGKOK POST in English 27 Dec 95 p 1

[Unattributed report]

[FBIS Transcribed Text] Former Chat Thai MP Thanong Siriprichaphong lost his battle to avoid extradition to face drug charges in the United States yesterday.

The Appeais Court, in a ruling that is final, upheld a Criminal Court verdict and set a precedent for other Thai drug suspects wanted in America.

Thanong, set to become the first Thai to be sent to America under a 1929 extradition treaty, was accused by a court in California of conspiring with at least five others to import 49 tons of marijuana in 1973-1987.

The drug was shipped in containers on freighters bound for the U.S. west coast and a warrant for Thanong's arrest was issued on Nov 15, 1991.

Thanong, who had been detained since February, appeared stunned by the ruling but later claimed he could clear himself in America.

Prachum Thongmi, his lawyer, said the Appeals Court's ruling was not a verdict of guilt. He would accompany Thanong to America and instruct criminal lawyers there to defend the case.

Mr. Prachum expressed doubts his client could expect fair treatment "because the U.S. is not our home country".

Prime Minister and Chat Thai leader Banhan Sinlapa-acha said the Government would abide by the ruling and there was no need for the case to be reconsidered in cabinet.

Former Nakhon Phanom MP Thanong, accompanied by relatives and Mr. Prachum, appeared in court in beige shorts, a T-shirt and a windcheater.

The court took an hour to read the 30-page ruling which was passed by a general meeting of appeals judges.

Rejecting Thanong's contention that as a Thai citizen he could not be sent to America against his will, the judges found the extradition treaty allowed for his legitimate extradition. Furthermore, they ruled that extradition was not a punishment and could therefore be applied retroactively.

His contention that the Government had not decided on his extradition was thrown out on the grounds the administration had endorsed the Foreign Ministry's recommendation that the case be put before the courts .

In addition, the judges agreed prosecution evidence was sufficient to justify proceedings against Thanong and his extradition.

Attorney-General Khanit na Nakhon said Washington must contact the Interior Ministry to arrange for the extradition within three months of the ruling. Failure to meet the deadline would mean America was not pursuing the case.

The Office of the Attorney-General will notify the Police Department and the Foreign Ministry of the ruling to prepare for the extradition.

Mr. Khanit said the ruling constituted a precedent applicable to other subjects of extradition requests, including followers of Khun Sa.

Chat Thai members Watthana Atsawahem and Narong Wongwan, suspected by the U.S. government of involvement in drugs trafficking, have been refused visas but are not the subjects of extradition requests.

'Laudable Precedent' Set

BK2812054995 Bangkok THE NATION in English 28 Dec 95 p A3

[From The News Desk: "Regular analyses and commentary", by Ophat Bunlom: "Thailand Joins Global Community With Judicial Ruling On Thanong"]

[FBIS Transcribed Text] The judiciary has set a laudable precedent with the decision by the Appeals Court on Tuesday to uphold the Criminal Court's order to extradite former Chat Thai MP Thanong Siriprichaphong to the United States.

Never before has a Thai citizen been extradited to another country to face criminal charges.

The ex-MP will become the first Thai national to be extradited under the 1929 Thai-U.S. extradition treaty, which has been used primarily to send Americans serving drug sentences in Thailand back to the United States.

On Aug 5, 1994, the U.S. Government asked the Thai Government to use the 1929 treaty to extradite Thanong to face criminal charges. He was accused of smuggling tonnes of marijuana into the United States between 1973 and 1987.

Later the Chuan Likphai cabinet resolved that public prosecutors should bring the case to court to determine if Thanong should be extradited.

Attorney General Khanit na Nakhon sent a letter to the government asking for its opinion. The Cabinet last Jan 10 resolved that Thanong would be extradited if the court ruled so. Public prosecutors then brought the case to the Criminal Court and asked it to have Thanong taken into custody.

The case was closely watched by the public. Many were waiting to see if the court would follow the tradition that the country's citizens should not be extradited, or if it would start a new tradition — already observed by many countries — of international cooperation in fighting crime.

On July 17, the Criminal Court ruled Thanong should be sent to the United States to face the charges. The court reasoned that the 1929 pact did not prohibit the extradition of a Thai citizen to face criminal charges abroad.

The ruling was widely welcomed. The court was praised for heralding a "new era" in Thailand's legal system by cooperating with global law enforcement efforts.

Thanong appealed the decision. He argued that according to the principles of the extradition treaty, Thai nationals should not be sent to face charges in a foreign country.

For months observers waited anxiously for the Appeals Court's ruling. Some predicted Thanong would be successful.

For the first time the Appeals Court called a full meeting of judges to consider the case.

Finally, it came up with its unprecedented decision.

In rejecting Thanong's appeal, the court argued that "as the extradition of criminal suspects was agreed on by the two countries to prevent and suppress crimes, even a Thai national can be extradited if the governments of the two countries agree to do so."

The ruling shows that the judiciary understands the recent trend among many developed countries of invoking international extradition treaties.

In the past, no country would extradite citizens to face criminal charges abroad since it was assumed that every country has sole sovereignty over its nationals.

Thailand passed an extradition law in 1929 which stated that if the suspect was a Thai national the justice minister should order his release. Charan Phakdithanakun, secretary general of the Justice Ministry's Judicial Affairs Promotion Office, said that the law prohibits the extradition of a Thai national.

However, with the rise in international crimes like drug smuggling and money laundering, international cooperation is needed over extradition of suspects.

In the past many criminals took advantage of the legal loophole by committing crimes abroad and then fleeing to their home countries.

After realizing this weak point, many countries decided to cooperate in prosecuting these criminals. The United States and other developed countries have often allowed their citizens to be extradited to face criminal charges abroad.

Panel Needs More Information on Drug Problem

BK2612035995 Bangkok THE NATION in English 26 Dec 95 p A1

[Report by Parit Iamphongphaibun]

[FBIS Transcribed Text] The investigation into U.S. drug charges against two senior Chat Thai politicians promised to drag on beyond the New Year after it was resolved yesterday that more information was needed.

The resolution came at a Commission of Inquiry meeting yesterday, at which a formal farewell was given to acting commission chairman Thanat Khoman who said he would not attend any more meetings because his job was over.

Commission spokesman Prasit Khowilaikun said the government-appointed panel had yet to find evidence that Narong Wongwan and Watthana Atsawahem had links to drugs traffickers as alleged by U.S. authorities. He said the fact-finding subcommittee told yesterday's meeting that at this stage it could not conclude whether the U.S. allegations were true.

The subcommittee said it needed more information before drawing a conclusion on whether the two had any connections to narcotics traffickers.

The commission then resolved:

— To assign commission secretary Pricha Champarat to ask Prime Minister Banhan Sinlapa-acha for the information from the United States which he received from Foreign Minister Kasemsamoson Kasemsi;

— To ask the Foreign Ministry to arrange with U.S. authorities for commission members to gather information and interview people in the U.S.;

— To ask the Office of the Attorney General to seek information from the U.S. under the terms of the existing legal treaty; and

— To seek information on assets and financial transactions of Narong and Watthana from the Counter Corruption Commission.

During a recent trip to the U.S., Kasemsamoson claimed he received "verbal" information from U.S. Secretary of State Warren Christopher and U.S. drugs enforcement authorities about the allegations.

Chat Thai adviser Narong and party deputy leader Watthana were left out of the Banhan Cabinet because of the drugs allegations. If "cleared" by the panel, the two are likely to renew their calls for powerful ministerial posts.

While Narong has kept a low profile, Watthana has repeatedly said he had nothing to do with the drugs trade. He has also threatened to take action against U.S. authorities for making "groundless" accusations against him.

The two, along with Chat Thai Party secretary-general Sano Thianthong, are eyeing the powerful post of interior minister, which is concurrently held by Banhan.

Yesterday's development cast serious doubts on Narong's and Watthana's chances of reasserting their claims to Cabinet posts in the event of a major Cabinet reshuffle early next year as strongly hinted by the prime minister.

Attorney General Khanit na Nakhon, a commission member who did not attend yesterday's meeting, said his office could not ask for information from U.S. authorities because charges had not been filed against Narong and Watthana.

The Office of the Attorney General could make the request only when charges were filed, he said.

Khanit said commission secretary Pricha had asked him to take part in yesterday's meeting. He did not attend because Thanat had already resigned as chairman.

Thanat's departure would compound the credibility problems of the Commission of Inquiry, which has already been criticized as an instrument to "whitewash" politicians.

It was not clear if the vacant chairman's post would be refilled, and by who.

It was earlier speculated that the panel would try to wrap up the investigation as soon as possible before Thanat left the commission for good.

Banhan To Ask Thanat To Stay on Drug Panel

BK2712081795 Bangkok THE NATION in English 27 Dec 95 p A 3

[Unattributed Report]

[FBIS Transcribed Text] Prime Minister Banhan Sinlapa-acha said yesterday he would try to persuade the outgoing Commission of Inquiry chairman Thanat Khoman to remain in his post.

Thanat said earlier he would not attend any more meetings of the government appointed panel as his job was over. Thanat was given a farewell at the panel's meeting on Monday.

The Commission of Inquiry is on a fact finding mission to determine if politicians Narong Wongwan and Watthana Atsawahem had any links with drug traffickers as alleged by U.S. authorities.

Commission Spokesman Prasit Khowilaikun said after Monday's meeting that the panel was unable to say whether the two politicians had any connections with narcotic traffickers. The commission then resolved to extend the probe and again try to seek fresh information from the United States.

Prime Minister Banhan said yesterday he would meet Thanat personally over the next two days. "I will meet him at his house to try to persuade him to stay on because the matter is nearly concluded," the premier said.

When asked what he would do if the panel could not come up with a clear conclusion about the case, Banhan said he would consider that scenario later.

He added: "In fact there is no concrete evidence (to prove the charges). Even what the U.S. claimed to be 'evidence' was only verbal. Then the foreign minister put those words down on paper. That's all we know."

Foreign Minister Kasemsamoson Kasemsi said yesterday the fact-finding panel could ask for more information from U.S. authorities, but he was not sure if the Americans would be willing to provide the required evidence.

He reiterated that his agency had given all the information it had concerning the U.S. charges to the Thanat-led panel.

"I insist that the Commission of Inquiry chairman has already seen the documents and he later returned them to me. But I'm not sure if other committee members have seen the documents," Kasemsamoson said.

Accord on Repatriation of SRV Refugees Signed

BK2712050795 Bangkok BANGKOK POST in English 27 Dec 95 p 3

[Unattributed report]

[FBIS Transcribed Text] Thailand, Vietnam and the United Nations High Commissioner for Refugees (UNHCR) yesterday signed an agreement to repatriate the last 5,000 Vietnamese displaced persons in the country by June next year.

The memorandum of understanding (MOU) spells out the principles and arrangements relating to the repatriation of Vietnamese who are disqualified from resettlement in third countries.

It was signed yesterday by the Foreign Ministry's Acting Permanent Secretary Sarot Chawanawirat, Vietnamese Ambassador to Thailand Le Cong Phung and UNHCR representative Pierre von Gunten.

The agreement will apply to some 5,000 Vietnamese currently residing at Sikhieu camp in Nakhon Ratchasima province.

Thailand is the last member of the Association of Southeast Asian Nations (ASEAN) to enter this kind of pact with Vietnam.

Hanoi has similar agreements with Indonesia, Malaysia and the Philippines. Hong Kong was the first country to secure such an agreement with Vietnam.

Mr. Sarot said: "This reflects a new era of deeper cooperation within the region on the basis of shared interests and an increasing consciousness of being part of one Southeast Asia."

Vietnam became the seventh member of ASEAN in July this year and the organisation is hoping to admit Laos, Cambodia and Burma by the turn of the century.

The MOU subscribes to the principles of the Orderly Repatriation Programme (ORP) which serves as an alternative to the Comprehensive Plan of Action (CPA), an international agreement established in 1989 to resolve the Indochinese refugee problem.

The CPA is set to be completed by end of this year, which also brings the end of international assistance to these refugees.

However, not all Vietnamese staying in first asylum countries around Southeast Asia as well as Hong Kong will be returning home by the CPA deadline.

Because of that the ORP was endorsed in March at the Indochinese Refugees' International Conference in Geneva.

Vietnamese Ambassador Le Cong Phung reiterated his country's policy and readiness to receive Vietnamese asylum seekers who return voluntarily.

The returnees will be relocated in various provinces in the country with the assistance from the UNHCR he said.

Asked when the repatriation can begin, he said: "It depends on the process of cooperation but we three parties (Thailand, Vietnam, and UNHCR) want to accomplish the MOU as soon as possible."

A Foreign Ministry official close to the issue said the orderly repatriation of 5,000 Vietnamese who are not qualified for resettlement in a third country is expected to be completed in June next year.

The sluggish pace of the repatriation process this year was attributed to rumours in July that a United States' Congressional hearing had said America would open the door to more Indochinese refugees.

The rumours were blamed for sparking false hopes and made some Vietnamese who volunteered to return home change their mind.

However, Ambassador Phung admitted there would be problems since some of the Vietnamese refugees do not want to return home.

He said: "This is a very complicated problem concerned with political and humanitarian implications. The main principle is voluntary repatriation. We cannot force them if they refuse to go back."

In Hong Kong in May some 2,000 Vietnamese in asylum camps demonstrated against the repatriation process and a similar campaign also took place in the Philippines.

Further on Submarines Purchase Issue

BK2612044895 Bangkok BANGKOK POST in English 26 Dec 95 p 3

[Unattributed Report]

[FBIS Transcribed Text] A decision on the purchase of submarines will be made this week, Royal Thai Navy chief-of-staff Adm [Admiral] Winai Intharasombat said.

A decision had to make to enable the Navy to submit proposals for allocations from the 1997 budget next month for two submarines, said Adm Winai.

Moreover, the Navy must also report its procurement plans to the Defence Council, said Adm Winai, who chairs a selection panel.

The Navy's 1997-2001 plan stressed the need for four submarines for territorial defence and protection of sea resources, a source said.

Initially, two are to be bought in a 17-billion-baht order.

Several of the panel's subcommittees have given high scores for submarines from Germany, Sweden and Holland, but Kockums had the edge because its vessels could stay submerged for up to 15 days without using a snorkel that could give away its position.

Navy Commander Adm Prachet Siridet said the selection process would be above board.

The Navy's move to bring its submarine programme nearer reality coincided with indications America was likely to agree to sell a squadron of F/A18 Hornet fighter-bombers armed with the Advanced Medium Range Air-to-Air Missile system [AMRAAM].

Royal Thai Air Force [RTAF] Chief ACM [Air Chief Marshal] M.R. [Mom Ratchawong — royal title] Siriphong Thongyai said there would be an official reply from America soon.

The U.S. had wanted to sell the F/A-18 without the AMRAAM system but the RTAF has insisted it must also get the missile system.

ACM Siriphong confirmed that the F/A-18 aircraft are appropriate for the RTAF's mission.

Under the RTAF's 1997-2001 development plan, new weapons must be supplied to replace out-of-date ones, including the F-5As which have been in use for nearly 30 years.

Supreme Commander Gen Wirot Saengsanit, meanwhile, said armed forces should be allowed to participate in considering cuts to their budget because they know which projects have priority.

Gen Wirot made the statement in reference to the Budget Bureau which normally cut the armed forces's requested annual budget by 50 percent.

Responsibility, he said, should be awarded to representatives from the armed forces as they understand better than the bureau which projects have priority.

The armed forces have finished their five-year expenditure plan which will be submitted to the Defence Council on Jan 24, he added.

Officials on Trawler Attacked by Burmese Vessel

BK2712081695 Bangkok THE NATION in English 27 Dec 95 p A2

[Unattributed Report]

[FBIS Transcribed Text] A crew member of a Thai fishing boat was still missing after it was fired on by a Burmese vessel on Monday, Fisheries Department chief Plotprasop Suratsawadi said yesterday.

The Burmese vessel opened fire on the Chokemonrudi while it was sailing about four nautical miles northwest of Phayam Island off Ranong province, causing an explosion, he said.

The 14 crew jumped overboard after a fire broke out. Plotprasop said 13 members were picked up by the Thai marine police, but a Burmese man was missing.

The badly-damaged ship was towed to Phayam Island.

The crew comprised 12 Burmese and two Thai fisherman and the vessel belonged to Narong Owsakon from Samut Sakhon province.

Deputy Agriculture Minister Monthon Kraiwatnuson said yesterday he had asked officials to talk to the Burmese authorities as the incident was a local matter.

He added that positive news could be expected from Burma after Prime Minister Banhan Sinlapa-acha makes an official visit in January. He said if Burma agreed to reopen a number of border points, the Thai fishing industry would benefit greatly.

Two Thai vessels seized by Malaysian authorities recently were definitely fishing in Malaysian waters, Permanent Secretary for Defence Phaibun Emphan confirmed yesterday.

Gen Phaibun said the continual trespassing by Thai fishermen in Malaysian territorial waters had led to heightened tensions between the two countries.

"The defence ministry has received a report that clearly indicates the two Thai vessels apprehended by Malaysia a few days ago had in fact encroached on and poached in Malaysian waters," he said.

He noted that it was difficult for Thai fishermen to determine the exact sea boundary between the two countries.

Replying to the demand by Thai fishermen for the Navy to protect their trawlers, Phaibun said the Navy could do it, but its vessels could not be everywhere at once.

"The fishermen themselves have to cooperate with the Navy to protect themselves.

"In the past the Navy designated a route that limited the area fishermen could trawl in. If the fishermen do not want to be arrested, they should be more cooperative," Phaibun said.

The Thai Navy will also apprehend any Malaysian vessel found in Thai waters, he said.

Editorial Views Solution to Fishing Disputes

BK2712090495 Bangkok THE NATION in English 27 Dec 95 p A 4

[Editorial: "Thai Diplomacy is the Key To Resolving Fishing Disputes"]

[FBIS Transcribed Text] Relations between Thailand and Malaysia threatened to hit a new low recently after an incident on the high seas over fishing rights resulted in the death of two Thai fishermen.

But this kind of dispute between the two countries — and between Thailand and its other neighbours such as Burma, Vietnam and Cambodia — is nothing new. However they are exacerbated and often magnified into a political issue, when a dispute escalates into an armed confrontation. It gets even worse when lives are lost.

Disputes on fishing rights will continue, though, as long as the laws defining such as boundaries are not accepted by all of the parties involved. As it stands at the moment, past practices and historical belief encourage Thai fishermen to continue to fish in areas beyond Thailand's jurisdiction.

Although Foreign Ministry spokesman Suwit Simasakun stated last week that the number of Thai fishing trawlers seized annually in the past decade by neighbouring countries has gone down to 50 from an average of 100 in 1984, reports of Thai fishermen being detained for illegal fishing continue to flow in.

Law of the Sea

The 1982 UN Convention on the Law of the Sea, which took effect last November, has turned Thailand into a sea locked state. The convention allows a coastal state to manage marine resources under and in the sea within 200 miles of its shores. The state has the sovereign right to use laws against encroachers in this area.

Legal negotiators revealed last week that Thai authorities were fully aware that the country's fishing industry would be affected when its neighbours announced their Exclusive Economic Zones (EEZ), as permitted under this convention. Vietnam and Burma announced their EEZs in 1977, Cambodia in 1982 and Malaysia in 1984.

Thailand was the last country in this region to announce its EEZ, doing so in 1988. Thai negotiators said the authorities held up announcement of the EEZ in protest at the 1982 convention, which they believed placed Thailand at a geographic disadvantage in regards to maritime matters.

They noted that no other country, even Japan which has a massive fishing industry, protested at the convention at the United Nations.

As a result of the individual EEZ claims, the broad fishing grounds where Thai fishermen once roamed and fished freely have become part of the territorial waters of its neighbours. In the Gulf of Thailand and the Andaman Sea, Thailand's EEZ overlaps those of its neighbours within the 200 mile-limit as allowed under the convention.

Worse still, the overlapping caused by the announcement of Vietnam's and Malaysia's economic zones is at the entrance to the Gulf of Thailand, blocking the usual access to the high seas that Thai trawlers have enjoyed in the past.

During the early Chakri period, Thailand's land and sea borders extended south to Malaysia's Malacca Strait, west to Burma's Bay of Bengal and east to Vietnam's southern coast. But all this changed when the British colonized Burma and Malaysia and the French conquered Indochina.

Then Thailand, more adept at solving its international problems through diplomacy, found itself unprepared to deal with the drafting of the UN Convention through legal and technocratic means, unlike its neighbours which had inherited these skills from their colonial masters. Thus it was unable to put its case thoroughly when the Convention was drawn up, and found itself at a disadvantage in terms of being able to define its fishing boundaries.

Not Too Late

If Thailand is to resolve the problem of fishing disputes with its neighbours, then it must once again demonstrate diplomatic acumen. Some critics say that the Thai authorities should have protested more strongly against full compliance with the UN Convention in order to protect the country's fishing rights and the right of innocent passage. They add that it is not yet too late to do so and that amendments could still be made, especially since Thailand has yet to ratify the convention.

Based on legitimate historical claims, Thai vessels should be able to maintain the traditional right to freely navigate the high seas without being blocked by a neighbouring country's naval forces, or without having to inform them.

In the meantime, legal negotiations must continue to be pursued in order to persuade countries like Malaysia to change their laws, some of which are inconsistent with international conventions. In some instances, such local laws have been applied unfairly to Thailand, and this has resulted in the illegal seizure of fishing trawlers and the detention and imprisonment of their crews. And, as we have seen, some Thai fishermen have paid the ultimate penalty for this.

The details surrounding the killing of the two Thai fishermen in early November by a Malaysian naval patrol force are still sketchy, with both sides claiming the moral high ground. It will be difficult to determine who is right or wrong and it will probably boil down to both sides' interpretation of international laws, as well as the laws in the two countries.

But if a lasting solution to the problem is to be found it will require more active intervention by the central government and more discipline from Thai fishermen. It is essential that Thai fishing companies are informed of the laws and be prevented from continuing their cavalier attitude to the territorial rights of other countries.

Steps To Remedy Current Account Deficit Urged

BK2612094195 Bangkok THE NATION in English 26 Dec 95 p A4

[Editorial: "Current Account Deficit: Central Bank Needs Help"]

[FBIS Transcribed Text] As we look back over the year that is rapidly drawing to a close, it becomes apparent that one startling feature of national policy this year has been the Bank of Thailand's monetary policy. It has become quite active and is likely to continue to be so in 1996.

Besides new policy initiatives — from liberalization to increased levels of supervision and tightened financial controls — the measures are also getting quite complicated. Notably, monetary policy appears to move in reverse to the government's ability to manage the economy through non-monetary measures. This is just a theory for now, but is something worth monitoring.

Top officials of the Bank of Thailand have pointed out that measures introduced during the past four months of the Banhan government were comparable or even more active than those implemented during the tenure of former prime minister Chuan Likphai.

The objectives appear to have also narrowed from growth distribution to simply ensuring stability and confidence.

But there is also a concern that monetary policy is being stretched too far and the financial sector is being asked to help shoulder the burden at a time when more suitable non-monetary measures to deal with the current account deficit and capital flow problems might be more effective and more sustainable.

Time will tell whether or not the guardian of Thailand's economic growth and stability is able to prevent the economy from sliding into problems. To date, the current account deficit and savings situation has deteriorated noticeably but the outlook trends are still good.

Furthermore, we are also seeing the Bank of Thailand playing an active role in advising the finance minister on action plans to deal effectively with the current account deficit. The point that the country may well be spending too much money on buying arms and similar unproductive imports was spelled out at the annual economic press conference last week. The National Economic and Social Development Board has expressed similar concerns as well.

We hope that political stability can be achieved in the New Year because Finance Minister Dr Surakiat Sathianthai must soon act on a number of sensitive measures to halt the rising current account deficit. This includes putting his foot down on excessive military spending that could harm the economy for years to come. Afterall, isn't it time for us all to enjoy the peace from the end to the Cold War?

Central bank officials outlined last Thursday an action plan to tackle the current account deficit which included a stable macro policy, promotion of exports and discouraging luxury imports, paying more attention to revenue and expenditure in the services accounts, including the high spending on intellectual property right products and services, promoting internal research and development [R and D] to ease reliance on overseas technology, and insurance and maritime expenses which are enormous.

These issues are certainly not new to Thailand. But action on them has been few and far in between. Much of it has to do with forming a vision and managing and nurturing the activities concerned.

Ensuring that luxury imports do not get too excessive means better monitoring the collection of customs taxes at the airports and the ports. But this is not a blank cheque for the Customs Department to increase bureaucracy and encourage more corruption. Discouraging intellectual property rights imports will not be easy because Thailand is an open society and economy. It would be better if local invention and R and D are encouraged. But this is something that is given little more than lip service.

So too is the development of a local insurance and shipping industry. The insurance policy is in a mess now. It is being liberalized but for what? The privatization of one of the state- owned shipping company has been stalled for the past four years, going nowhere except perhaps into the hands of foreign companies.

It is not difficult to see what should be done on the non-monetary policy side in tackling the current account deficit. But implementing them and sustaining them will be hard especially if the stability of the government is in question and the ministers have tc spend time answering political charges. We wish nothing more for a government than that which is workable in 1996. The economy cannot live under the goodwill and capability of the central bank alone.

Five People Killed in Poipet Blast

BK2612045095 Bangkok BANGKOK POST in English 26 Dec 95 p 6

[Unattributed Report]

[FBIS Transcribed Text] Five Khmer people were killed and 10 seriously wounded when a Khmer Rouge artillery round landed at Poipet market opposite Aranyaprathet yesterday morning.

The shell landed on a hut between the new and old markets, killing four people instantly and wounding six others.

Five of the injured were sent to Aranyaprathet Hospital but one of them died on arrival.

Karen Buddhists Cross Border To Raid Refugee Camp

BK2712081095 Bangkok BANGKOK POST in English 27 Dec 95 p 3

[Unattributed Report]

[FBIS Transcribed Text] Tha Song Yang, Tak — Two people were seriously injured yesterday when some 30 men from the Democratic Karen Buddhist Army [DKBA] plundered a Karen refugee camp on the Tha Song Yang-Mae Sariang road.

The men were armed with AK-47s, M16s and M79s. They raided Sho Klo camp, which houses 9,405 Karen refugees, at about 1 a.m., firing at a shop before running off with cash and valuables worth some 30,000 baht.

Kae Sami, the shop's owner and his wife Nor Kae Pho were seriously injured.

A soldier in the area said the attackers were believed to be members of the DKBA and crossed the border into Thailand from Bho Phaw Hta in Burma, which is across the border from the camp.

Third Army Region Commander Lt Gen Thanom Wacharaphut said the camp was an easy target for attack as it was only a kilometre from the border.

It was difficult to distinguish the refugees from the intruders, as they were all Karens, he said.

He said that to prevent a recurrence, all refugees in Sho Klo camp would be moved to Mae La camp, also in this border province. The issue would shortly be discussed among the agencies concerned.

He said foreign intruders would be disarmed if caught inside Thailand.

Problem of Illegal Foreign Work Force Viewed

BK2712081395 Bangkok BANGKOK POST in English 27 Dec 95 p 4

[Editorial: "Time To Face the Problem of Our 'Ghost' Work Force"]

[FBIS Transcribed Text] A recent survey conducted by the Employment Department of the Labour and Social Welfare Ministry shows there are an estimated 500,000 illegal foreign migrant workers in Thailand. Of these, Burmese nationals and other ethnic people make up the bulk of cheap unskilled labour. Many of these illegal migrants can be found at almost every construction site, performing the kind of dirty job that Thai labourers now shun and despise because of the low pay and hard work. Others are employed as crewmembers aboard Thai fishing trawlers, in other fishery-related industries and on rubber plantations.

Although political instability in Burma may have driven a large number of Burmese and other minority people to seek shelter on Thai soils the main driving force which has prompted the exodus of young and able-bodied people from Burma, Cambodia, China and the sub-continent into this country is the gloomy economic prospect and lack of job opportunities back home. Thailand, in the minds of many of these economic refugees, is a land of hope which offers greener pastures although, when faced with reality, some arrivals find the opposite to be true.

These illegal immigrants undoubtedly have made a contribution to the economic development of Thailand. They provide a steady supply of cheap and unskilled labour for the construction, fisheries and manufacturing industries which have to rely on cheap labour to keep costs low in order to remain competitive in the world market.

On the darker side, however, the presence of a large number of illegal immigrants has opened up opportunities for unscrupulous immigration officials and police to extort money from them and their employers. Fishing industry operatives in Samut Sakhon claimed in a recent petition to the provincial governor that they were made to shell out regular amounts of money to the authorities. The desire of these workers to enter Thailand has also given rise to rings organising cross-border human traffic, especially from Burma and Cambodia. Police in Tak Province last month arrested an army officer and rounded up 52 Burmese hidden in a truck he allegedly tried to smuggle inland.

Because these foreign workers are illegal immigrants and therefore not protected by Thai law, most of them are employed at below the minimum wage and are not given any of the fringe benefits legally accorded to their Thai counterparts. Suffice to say that they have been outrageously exploited by their employers.

Equally alarming is the potential for social and security problems posed by these workers. Except for those who have work permits valid in some border provinces, these foreign workers do not have identity records and permanent residences which can be traced. There have been some criminal cases committed by illegal workers which remain unsolved because the alleged offenders cannot be tracked down because police do not have any record of them.

There is no denying that these "uninvited" foreign workers are essential to the fishery and construction industries which are experiencing an acute shortage of labour. Yet, senior security officials are reluctant to legalise the status of the workers. Nor are they ready to open the border to invite them in legally and in a properly manageable manner. In the meantime, efforts to stem the human traffic have been a dismal failure due to the shortage of manpower to police the unguarded border as well as corruption on the part of law enforcement officials.

Such a situation should not be allowed to persist and something needs be done to address this problem properly and systematically. If the foreign workers are regarded as necessary for the economic development of this country, then those already working here should be properly registered in order that they can work legally without police harassment. Talks should also be held with the authorities in Burma and other neighbouring countries in the hope of formalising arrangements for workers from one country to be able to work in another where and when there is a shortage of labour.

In the long run, however, governments in Burma and Cambodia will have to work harder to improve their economies and political situation to discourage their people from fleeing abroad. Industries in Thailand must also realise that they cannot rely forever on cheap and exploited labour to remain competitive in the world market.

Vietnam

Hanoi Criticizes France's 5th Nuclear Test

BK2812133795 Hanoi Voice of Vietnam in English 1000 GMT 28 Dec 95

[Station Commentary]

[FBIS Transcribed Text] The French Weekly LE CANARD ENCHAINE reported that the French Government has planned to conduct the fifth nuclear testing in South Pacific on Thursday [28 December]. The paper said the French Government wanted to complete its sixth plan on nuclear test by the end of February 1996. On this issue, our radio editor has the following comment.

In disregard of public protest in France and the world, the French Government continues its nuclear test according to its plan. According to Weekly LE CANARD ENCHAINE, the fifth nuclear test was supposed to be conducted on December 22, but it had to be delayed because the French Government did not want to do it when the waves of strike of public transport workers was not ended. This shows the nuclear test conducted by the French Government in South Pacific has not been supported by the French people. The previous nuclear test caused waves of protest among the French people of all strata. Many demonstrations have been staged in Paris and other cities in France. Worthy of note was the fierce protest by the Greenpeace. Greenpeace ships followed the nuclear carrier on its way to South Pacific causing much obstacles to the French Government.

Meanwhile, heads of states and governments of Japan, Australia, and other countries in South Pacific, Latin America, and Southeast Asia have criticized France's nuclear testing. Australian Prime Minister Paul Keating considered France's resumption of nuclear testing a recurrence of colonialist attitude. A movement boycotting French goods is widely spread in South Pacific and other countries in the world. Worthy of note is that at present the world is in the process of struggling to build a nuclear-free planet. So far, four regions have signed the nonnuclear treaty, including Latin America in 1967, the Pacific in 1987, Africa in 1995, and currently at the summit in Bangkok, heads of governments of 10 countries in Southeast Asia signed a treaty to turn Southeast Asia into a nuclear-free zone.

According to the Japanese News Agency KYODO, on December 26 officials of Hiroshima and Nagasaki of Japan which were victims of Atomic bomb have announced to organize a mobile exhibition around the world in two years to call for an end to the use of nuclear weapons. The exhibition will be started in the United States and then France. Hiroshima and Nagasaki authorities also said they would send photos and [word indistinct] atomic to the exhibition to be exhibited in the United States and France so that the people in those countries understand the current situation of atomic bomb victims.

This development shows that to advance to a world of peace, cooperation, and development, mankind should struggle against many threats including that of nuclear weapons. This fact awakens the world people to be closely united and cooperate to eliminate nuclear catastrophe.

Do Muoi Receives French Communist Delegation

BK2612102795 Hanoi Voice of Vietnam in English 1000 GMT 22 Dec 95

[FBIS Transcribed Text] General Secretary of the Communist Party of Vietnam Do Muoi on Thursday [21 December] received the visiting delegation of the French Communist Party led by Mr. Andre La Joinie, Politburo member and secretary of the Central Committee.

The Vietnamese party leader highly appreciated the 75-year history of the French communists, who have been struggling for independence and the communist ideal. He recalled the two Communist Parties' time-honored relations forged by President Ho Chi Minh and French leaders, and expressed his thanks to the French communists and working people for their precious support toward Vietnam's revolution.

Mr. Andre La Joinie expressed his honor to visit Vietnam where he and his delegation witnessed the great achievements recorded by the Vietnamese people in their renovation process under the Communist Party of Vietnam leadership. He wished the people and party of Vietnam greater successes in the relations between the two parties [words indistinct] for promotion and development.

Earlier, the French delegation paid a floral tribute to President Ho Chi Minh at his mausoleum; visited the late president's home and office; and called on some places of interest in Hanoi and Haiphong, where they also met with the municipal party chief.

Commentary Views Assistance From Donor Countries

BK2612161195 Hanoi Voice of Vietnam in English 1000 GMT 26 Dec 95

[Station commentary]

[FBIS Transcribed Text] Donor countries have committed to assist Vietnam with $2.3 billion next year. The commitment was made at the third consultative conference of donor countries held in Paris recently. This is a rather big sum. Why did the world countries continue to give financial assistance to Vietnam for its national construction? Here is our radio editor's opinion:

Japan remains the biggest donor of Vietnam with a commitment of $800 million. The Western countries committed 530 million, but France made up 50 percent. With such a high commitment, it is obvious that they have highly valued Vietnam's economic achievements and its effective use of foreign assistance. The Japanese representative at the third donor conference affirmed that his country acknowledged Vietnam's progress in its national renovation process. Meanwhile, the Swedish representative maintained that Vietnam obtained a surprise progress in eradicating illiteracy, reducing infant mortality rate, and having good basic social indicators. Mr. (Calypto Madavar), president of the consultative group, said: Obviously, Vietnam has made considerable economic progress, maintained a high economic growth, and improved the people's lives. However, [words indistinct] legal, administrative, and investment aspects. It is also obvious that Vietnam can hardly implement large projects without foreign financial assistance.

Mr. Do Quoc Sam, minister of planning and investment, affirmed at the recent consultative conference that Vietnam will continue its renovation policy on the basis of its achievements. Vietnam (?also wants) to make full use of favorable conditions to achieve its objectives of building a rich people, a strong country, and an equal and civilized society.

Foreign Investment Activities Reviewed

BK2712143895 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Dec 95

[Essay by Thanh Binh]

[FBIS Translated Text] In 1995 the Ministry of Planning and Investment issued licenses to nearly 400 foreign investment projects in Vietnam with a total capital of over $7 billion. According to an evaluation by Minister Dau Ngoc Xuan, chairman of the Foreign Investment Project Appraisal Council, the number of foreign investment projects this year has increased by

30 percent in comparison to the average increase of the past several years.

Although the number of projects has not increased greatly, the amount of registered capital has surged significantly. Many projects now have investment capital of $100 million to $300 million each. Many world or national leading corporations and companies have arrived here and have decided to carry out large-scale projects after many years of studying. At the top are companies from Japan, which are strong in capital resources and high technology. Over 30 Japanese investment projects alone have brought in a total capital of over $1 billion. Japan moved up from its fifth rank in late 1994 to third position, with total investment capital of nearly $1.74 billion.

Taiwan still holds the top position with the most investment projects this year and a total investment capital of over $1.2; then comes the United States with $600 million and South Korea with nearly $600 million.

From 1988 to 1995, there have been nearly 1,600 projects by 49 countries and territories licensed to invest in Vietnam with a total registered capital valued at over $19 billion, of which over $6 billion have been put into operation. Foreign investment projects are present in 49 provinces and cities, including provinces in the mountain regions, which still have many difficulties and rudimentary infrastructure.

From the record of foreign investment in Vietnam, we can highlight several noteworthy points. First, the amount of foreign investment in Vietnam is continually increasing. In 1988 foreign investment capital in our country was only $366, while this year the figure increased over 20-fold.

Early foreign investment projects mainly focused on hotel construction and service and brought in relatively small amounts of capital. Most projects this year involve investment in industrial manufacturing with capital of over $3 billion, or nearly half of the grand total.

Many more large projects involve capital related to in-depth investment in essential fields requiring high technologies. The largest is a project to produce cement in Nghi Son in Thanh Hoa Province with capital of $347 million from two Japanese companies. Next in line are projects to assemble motorcars, produce spare parts, and provide a guarantee service by Ford, Chrysler (U.S.), Toyota (Japan), Mercedes Benz (Federal Republic of Germany), and Daewoo (South Korea), with a total investment capital of over $450 million.

Joint ventures have been formed with Japanese companies to produce special glass in Ha Bac and manufacture and assemble electronic chip board in Dong Nai. South Korea's Daewoo formed a joint venture called Orion-Hanel with the Hanoi Electronic Company, and has put into operation a factory in Sai Dong, Hanoi, to manufacture television picture tubes and calculators. Two American and Japanese companies formed joint ventures with Vietnamese partners to invest in the production of PVC plastic, using the source of fuel from Vietnamese oil fields. According to the plan, the two plastic production projects will meet all the demands for plastic by Vietnam's industry.

South Korean and Japanese companies also formed joint ventures with the Vietnam Steel General Corporation to build steel mills in Haiphong, Thai Nguyen (Bac Thai), and Bien Hoa (Dong Nai), with a total annual production capacity of over one million tonnes of various types of steel of international standard.

Formerly, few foreign investment projects involved construction of basic infrastructure such as communications, transportation, and postal systems. In 1995, large companies invested $350 million in these domains. Typical in the group are Swedish companies cooperating in the development of a mobile communication network. On major national routes and sea ports, many well-known firms are using modern equipment in the construction of high quality bridges and roads.

Another good aspect of the foreign investment projects is that they are more and more likely to regroup themselves into industry and economic processing zones [EPZ], and their technologies are modern, which suit the objectives of industrialization and modernization of our party.

At present the government has acknowledged six industrial zones in Ho Chi Minh City, Hanoi, Haiphong, Song Be, and Dong Nai. By this December, in Tan Thuan EPZ there have been over 100 foreign companies constructed their factories with a total capital of over $800 million; 21 companies have started production operations and have exported nearly 12,000 tonnes of products valued at nearly $37 million this year. Foreign investment projects also attracted over 70,000 workers in their factories, and created employment for another 100,000 people doing construction work at factories and enterprises.

This year, there have been more than 100 projects seeking permission to increase their investment capital by more than $1.15 billion. Consequently, since 1988, there have been 242 projects increasing their investment by more than $2 billion. On the other hand, only slightly over 220 projects with a total capital of $1.1 billion have had their operating licenses canceled before expiration. This cancellation rate is lower than the rate in many countries in this region.

However, foreign investment in Vietnam still carries with it many problems that need to be rectified. For example, the number of investment projects in agriculture and agricultural processing — an area that very much requires advanced technology — is still low. Some foreign investors introduce old equipment with high prices into their joint ventures.

In particular, joint ventures in industrial zones have not paid full attention to the protection of the environment. For example, the Vedan Monosodium Glutamate Joint Venture, due to a lack of a filtering system for waste water, has caused great damage to fishing in the Thi Vai River. Dozens of thousands of local fishermen have been facing financial hardship.

Furthermore, the national interest and the workers' benefits in foreign invested joint ventures have not been adequately protected. The low level of the contingent of our cadres also affects greatly the efficiency of joint venture projects.

In order to attract more foreign capital investment in Vietnam for a quick development of our national industry, our government quickly amended the Law on Foreign Investment to create a favorable condition for foreign investment. Together with the national administrative reform, the former State Commission for Cooperation and Investment simplified the assessment procedures and reduced the waiting time for an investment license. This year, 70 percent of foreign investment projects have been granted a business license within the limit of the waiting period.

However, some foreign investors still complain about some vague national policies such as the taxation policy and the slow progress of land clearance for construction. Many hotel projects in Hanoi have not been constructed after three years because some families refuse to move to other places.

After our official joining of ASEAN, the competition to attract foreign investment capital has become more fierce. In order to avoid lagging behind, our party and state plan that from 1996 to the year 2000, the country needs a capital resource of about $50 billion, including $20 billion from foreign enterprises put into use in Vietnam, to ensure an annual economic development rate of 10-11 percent over many years and to double the general domestic product by the year 2000. Besides on-going projects in the two hi-tech industrial centers of Hanoi and Ho Chi Minh City with a capital of $800 million, we will continue to call for foreign capital of about $5 billion invested in 12 industrial zones concentrated in localities that have been planned. We are also seeking foreign partners to invest in agriculture, forestry, and agricultural processing to create conditions for the development of our rural economy.

Do Muoi Urges Industrialization of Agriculture

BK2612082595 Hanoi VNA in English
0636 GMT 26 Dec 95

[FBIS Transcribed Text] Hanoi VNA Dec. 26 — Agricultural industrialization is a great cause which party grassroots committees must undertake, Party General Secretary Do Muoi said to party officials at the grassroots level from Hanoi's outlying districts and Ha Tay province.

The party leader worked with the party committees of Thanh Thuy Village in Thanh Oai District, Ha Tay Province Duc Tu Village (in the outlying district of Dong Anh) and Buoi Ward (in Ba Dinh Precinct of Hanoi) as a part of preparations for the upcoming party congress.

The socio-economic situation in these localities have been clearly improved, local party secretaries said, and party resolutions have entered the daily lives of the locals by providing higher living standards. Per capita income has risen to about VND three million per year thanks to new agricultural policies and the restoration of traditional occupations. Economic development has also paved the way for better health care and education.

The party leader paid special attention to job generation better salaries and a healthy lifestyle.

'Caring for the people's is the task of a communist', he said, stressing that industrialisation and modernisation are the keys to a higher living standard for the people. However, the concrete measures to be applied in each locality must be discussed by local party committees.

Mr. Do Muoi's opinions were suggestions for possible content of further upcoming party congresses at the grassroots level.

Premier Tours Hai Hung Province, Meets Officials

BK2612082795 Hanoi VNA in English
0653 GMT 26 Dec 95

[FBIS Transcribed Text] Hanoi VNA Dec. 26 — Prime Minister Vo Van Kiet had working sessions with officials of Hai Hung Province on its socio-economic development orientation on Dec. 23-24 and also took a stroll down the newly expanded portion of Highway 5.

The prime minister spoke highly of the socio-economic achievements recorded by the province which has made positive changes in the shifting of its economic structure in the direction of modernisation and industrialisation to form a key northern economic zone. He commended

Hai Hung for reaching total food output of more than 1.3 million tonnes/year and paddy productivity of 10.3 tonnes/ha.

However, he said, much agricultural potential remains to be fully exploited, increasing quantity and at the same time improving quality, by promoting intensive and specialised farming. He also recommended the province to carry out on trial basis, a combination of rice cultivation with vegetable growing and livestock breeding at the commune levels and suggested that with this advantage, the province should boost livestock breeding in household economic development.

The prime minister ordered provincial officials to develop an agricultural production policy to raise farmers' living standard, so that they are not left behind by economic growth.

He asked for more attention to be paid to the expansion of areas under litchi, a high value speciality fruit tree of the province.

Concerning the provincial plans for an industrial zone, the prime minister said the province should minimise the use of cultivable land for industrial purposes and work out measures to mobilise more domestic investment in its industrial zone.

One Million Benefit From Job Promotion Program

BK2612082695 Hanoi VNA in English
0720 GMT 26 Dec 95

[FBIS Transcribed Text] Hanoi, VNA Dec. 26 — About one million people have been provided with employment since the commencement of a national programme for job promotion and a national fund for job creation which was outlined by the end of 1992 pursuant to resolution 120 of the Ministry of Labour, War Invalids and Social Affairs.

The programme is aimed at generating more jobs for the unemployed who have been growing in number in many parts of the country by granting credits with lower interest or soft loans (ranging from 0.4 - 0.6 percent/month) to people to help them set up small-size projects or businesses. Most of these businesses and projects have been in the area of restoration of traditional trades or the development of new trades in various villages or residential quarters in both rural and urban areas.

To date, the state has invested over VND 980 billion in the programme to create about 1 million jobs for the unemployed. This is part of the Vietnamese Governments efforts to control unemployment in the country. This effort has been commended by a large number of national assembly deputies.

So far this year, 10,423 small-size projects capitalized at VND 357 billion have been established in all 53 cities and provinces across the country and eight mass and social organisations as well as the Ministry of Defence. These projects have provided employment to more than 290,000 people.

Apart from soft loans and credits to help form businesses, the national programme has set up 136 job promotion centres tasked with providing vocational training and consultancy as well as creating employment for the unemployed.

Every year, these centres train 150,000 young people and introduce jobs to 120,000 and practise job consultancy for 120,000 others. However, efforts need to be boosted to build different centres to train skilled technicians and professional labourers for Hanoi, Ho Chi Minh City and other key economic zones to meet the growing demand of the labour market.

Additionally, the programme is involved in administering loans and funds from Germany and the former Czechoslovakia to be given to Vietnamese guest workers who have returned home before the expiry of their labour contracts. By October this year, the Industrial-Commercial Bank of Vietnam had granted VND 119 billion to open 580 businesses which have provided employment to 12,500 people returning from Germany. With funds from Czechoslovakia, the bank had by September this year given VND 93 billion to form 928 projects for 27,228 people (including 4,355 returnees from the former Czechoslovakia).

The National Assembly of Vietnam has approved a fund worth VND 200 billion for this programme in 1996, including VND 172 billion as a donation from the Ministries of Labour, War Invalids and Social Affairs, Finance, and Planning and Investment. In addition, a sum worth VND 220 billion from payments of previous loans and credits is expected to be granted to 320,000 unemployed.

Officials Disciplined Over Cement 'Fever' Issue

BK2712111795 Hanoi NHAN DAN in Vietnamese
13 Nov 95 p 4

[Unattributed report]

[FBIS Translated Text] The building minister has issued a decision on disciplinary measures against a number of cadres responsible for the cement "fever" in late April and early May. The Vietnam Cement General Corporation is instructed to issue a decision to dismiss Nguyen Bon Bay, director of the Hoang Thach Cement Corporation branch in Hanoi, and Vu Cong Tru, director of the Bim Son Cement Corporation branch in Hanoi, from their offices. The building minister also issued warnings to Tran The Trach, director of the Bim Son Cement Corporation; Nguyen Duc Hoan, director of the Hoang Thach Cement Corporation; Nguyen Ngoc Anh, director of the Ha Tien Cement Corporation No. 1; Dao Duy Nhan, director of the Cement Import-Export Corporation; Tran Duy Son, deputy director of the Ha Tien Cement Corporation No. 1; and Vu Van Dai, deputy director of the Cement Import-Export Corporation.

Action Against Cadres in Hanoi Dike Scandal

BK2712114695 Hanoi NHAN DAN in Vietnamese 8 Nov 95 p 4

[Report by P.V.]

[FBIS Translated Text] Having filed criminal case No. 521 on 25 February 1995 regarding the destruction of a construction project — considered detrimental to national security — on the Yen Phu-Nhat Tan portion of the Red River dike in Hanoi, the Police Investigating Office under the Ministry of Interior has, after consulting with the Supreme People's Organ of Control and the Supreme People's Court, arrived at the following decisions:

— To suspend the investigation into the case of four cadres under the Ministry of Water Conservancy — Tu Mao, chief of the Flood and Typhoons Control and Dike Protection Office (of the Ministry of Water Conservancy); Nguyen Quoc Trung, director of the Hanoi Water Conservancy Office; Le Trung Luc, leader of the Inner-City Dike Management Team; and Nguyen Son Dong, leader of the Tu Lien District Dike Management Team (Hanoi) — who were found guilty of lacking a sense of responsibility and abusing their powers in issuing certificates and recommending the granting of permits for the repair and construction of houses on the protective riverbank. Because their violations are not so serious as to warrant prosecution before a court of law, related agencies have been asked to take punitive administrative action against them.

— With particular regard to the three cadres belonging to the Hanoi Senior Architect Office — Trinh Hong Trien, assistant to the senior architect; Nguyen Gia Ho, representative of the Hanoi Municipal Senior Architect Office in Ba Dinh District; and Le Vu Pham, representative of the Hanoi Municipal Senior Architect Office in Tu Liem District — it is reported that although the investigation could not produce any indication of corruption or negativism, the Ministry of Interior has, after consulting with the Supreme People's Organ of Control and the Supreme People's Court, asked the Supreme People's Organ of Control to prosecute these people before a court of law in accordance with Article 221 of the Criminal Code, taking into consideration the serious consequences of their act of granting illegal permits.

Editorial Praises Army's 51st Anniversary

BK2512130795 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Dec 95

[FBIS Translated Text] On the occasion of the 51st anniversary of the Vietnam People's Army and Universal National Defense Day, today's QUAN DOI NHAN DAN carries an editorial entitled: Forever Worthy as an Army Trusted by the Party and Loved by the People.

The editorial affirms that the entire Army recorded new development in 1995 in the universal determined-to-win emulation campaigns to mark important the historic anniversaries during the year. All tasks and all units showed signs of progress. The combat capacity of grassroots units was heightened.

Yet the might of the Army can only be built on the foundations of a firm socio-political background, a developed economy, and a steadfast national defense system. As the trusted military tool of the party and state, and the core force of the people's war and universal national defense system, our Army is determined to highlight its glorious characteristics and traditions as well as its absolute loyalty to the party, state, people, and renovation undertaking of the country. We are ready to fulfill all tasks assigned by the party in an outstanding manner to be worthy of the care and trust of the party and people.

Australia

Acting Premier Calls Nuclear Test 'Reckless'

BK2812010995 Hong Kong AFP in English 0021 GMT 28 Dec 95

[FBIS Transcribed Text] SYDNEY, Dec 28 (AFP) — Australia strongly condemned the latest French nuclear test in the South Pacific, Acting Prime Minister Kim Beazley said Thursday, describing the action as reckless and arrogant.

He said the test "sends the worst possible message for the New Year to the people of the South Pacific."

"The fifth test is a reckless action by the French Government which ignores the wishes of the people of the region," Beazley said.

He said it demonstrated "an arrogant disregard for the recent resolution adopted at the United Nations calling for an immediate end to nuclear testing.

"I call on the French Government to make a fresh start to 1996 by immediately ending its nuclear weapons test," he said.

Beazley said the five tests, which have been held in less than four months, were "completely contrary to the undertaking the French Government gave at the Nuclear Non-Proliferation Treaty Review and Extension Conference in May to exercise utmost restraint in nuclear testing."

The blast, detonated at Mururoa Atoll, measured 5.3 on the open-ended Richter scale and was fairly small by the standards of previous tests in the series, scientists said.

Ministry Calls French Envoy Over Nuclear Test

BK2812061495 Melbourne Radio Australia in English 0500 GMT 28 Dec 95

[FBIS Transcribed Text] Pacific nations have reacted swiftly to France's fifth nuclear test, saying it demonstrates a total disregard for the wishes of regional countries.

The Defense Ministry in Paris said the underground device was detonated today at Mururoa Atoll in French Polynesia. The explosion was smaller than the previous test in November but still twice as powerful as the atomic bomb dropped on the Japanese city of Hiroshima during the Second World War.

The South Pacific Forum Secretary-General Ieremia Tabai said France has demonstrated that there were no limits to its arrogance over its nuclear arsenal. He said the French have shown a blatant disregard for the United Nations, which had recently passed a resolution calling for an immediate end to nuclear testing.

The French action also attracted wider criticisms. The United States described it as disappointing but no surprise while New Zealand Prime Minister Jim Bolger said France's reputation in the Pacific was now at an all-time low. Japanese Prime Minister Tomiichi Murayama again appealed to France to stop the tests, saying they had no meaning.

Australia has delivered a formal protest to France's charge d'affaires in Canberra. Stuart Heather reports Mr. Alain Maurois was called in to the Department of Foreign Affairs by the department acting secretary, Geoff Forrester.

[Begin recording] [Heather] A spokesman for the department said in the 45-minute meeting that the French charge was reminded of Australia's past protests to the testing program and asked to comply with international demand to end nuclear testing.

Australia asks France to respond to the demand that it commit itself to close its South Pacific testing facilities and accept responsibility for any adverse environmental effects of the test.

After earlier telephone conversation with Mr. Maurois, the acting foreign minister, Gordon Bilney, said the charge had raised the possibility of France's planned sixth test being cancelled. However, Mr. Maurois gave no indication to reporters of a change of plan in Paris.

[Maurois] Well, the official declaration in France has been, and from the President himself, was that there could be another one and could be six tests altogether, and this could end at the end of February. So, this is the limit. [End recording]

Further on Condemnation of French Nuclear Test

LD2812102195 Melbourne Radio Australia in English 0900 GMT 28 Dec 95

[FBIS Transcribed Text] [Announcer] There has been widespread condemnation of the latest French nuclear test in the South Pacific and Australia's acting prime minister [deputy prime minister and finance minister], Kim Beazley, has called on France to immediately end its atomic tests. Defense Minister Ian Para said the underground device was detonated today at Mururoa Atoll in French Polynesia. The explosion was smaller than the previous test in November but still twice as powerful as the atomic bomb dropped on the Japanese city of Hiroshima during the Second World War. It was the fifth test in the current series and is thought likely to be the second last. As Lyndall Curtis reports, the test has been condemned by Australia's government and opposition.

[Curtis] Mr. Beazley says the test was reckless. The opposition says it is appallingly arrogant. Australia has officially protested but the French embassy charge d'affaires, Alain Maurois, says France saw no reason to end the testing series. Both the government and opposition have warned France its actions may harm negotiations on a treaty banning all nuclear testing. Mr Beazley says the situation reinforces the need to consider practical measures to eliminate nuclear weapons, such as the Canberra Commission and nuclear disarmament forums set up by the government. The French charge says the commission may be intellectually interesting but it will not change the behavior of the French government.

[Announcer] The South Pacific Forum secretary general, Ieremia Tabai, said France had demonstrated there were no limits to its arrogance over its nuclear arsenal. He said the French had shown a blatant disregard for the United Nations, which had recently passed a resolution calling for an immediate end to nuclear testing.

New Zealand

Bolger: France's Nuclear Test 'Unacceptable'

BK2812012495 Hong Kong AFP in English 2259 GMT 27 Dec 95

[FBIS Transcribed Text] WELLINGTON, Dec 28 (AFP) — New Zealand Prime Minister Jim Bolger, reacting to the fifth nuclear test at Mururoa atoll, said Thursday France's reputation in the Pacific was at an all-time low.

"France is its own worst enemy," he said in a statement issued here shortly after France exploded a nuclear device at Mururoa.

"France has defied world opinion through continued testing. Its reputation in the Pacific is at an all-time low. When the tests are over, France will have to rebuild its credentials in the region. It has a long way to go," the prime minister said.

Bolger said the French ambassador to Wellington, Jacques Le Blanc, would again be summoned to receive a strong protest.

"We will remind France that the United Nations General Assembly, in a formal resolution, has just deplored continued testing and called for its immediate end.

"France's actions are unacceptable. This latest test flies in the face of world public opinion which is moving, ever more firmly, towards the view that nuclear weapons should be eliminated."

He said he hoped the fifth test would be the last.

"If France is to rebuild its standing in this part of the world, it must start by announcing the end of its misguided testing programme. I, and all New Zealanders, now call on President Chirac to take that decision," he said.

The statement did not say when the French ambassador would be summoned.

Japan's Whale Killing Meets 'Strong Criticism'

BK2412113795 Melbourne Radio Australia in English 0500 GMT 24 Dec 95

[FBIS Transcribed Text] New Zealand has expressed strong criticism of Japan for going ahead with plans to resume its annual whale catching program in the Antarctic. Foreign Minister Don McKinnon said he was concerned that Japan will resume its so-called research whaling despite the International Whaling Commission creating a whale sanctuary in the southern ocean. Mr. McKinnon said it was clear that while the Commission allowed whales to be killed for genuine research the Japanese program breached the state of the sanctuary. He added that a whaling fleet had left Japan early last month and killing operations were expected to begin soon. Japan has said it will kill up to 440 minke whales in current Antarctic summer, 110 more than last year's quota.

The United State's Commerce Department last week accused Japan of undermining international efforts to conserve the world's whale population.

Papua New Guinea

PM Chan 'Optimistic' About Bougainville Crisis

BK2412113895 Melbourne Radio Australia in English 0500 GMT 24 Dec 95

[FBIS Transcribed Text] Papua New Guinea's [PNG] prime minister [PM], Sir Julius Chan, says he is optimistic that the Bougainville crisis can be resolved soon. Sir Julius was speaking during an official farewell for the outgoing Australian high commissioner to PNG, Bill Farmer. Sir Julius said he thought positive results have been achieved at last week's All Bougainvillian Talks in Cairns in north Queensland. Sean Dorney reports:

[Begin Dorney recording] Praising the departing Australian high commissioner, Bill Farmer, for what he called his personal involvement and act of role in setting up the Bougainville Peace Talks in Cairns, Sir Julius Chan described the resolution of the conflict on Bougainville as the one unfinished task. However, he said he was optimistic the problem would be resolved soon thanks to the positive outcome at the two all Bougainville leaders' meetings in Cairns in the past three months. The PNG prime minister said Australia's assistance towards the reconstruction, reconciliation, and peace process in Bougainville was highly appreciated. [end recording]

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